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SUPERMARKET BUSINESS

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SEPTEMBER 1985

38th Annual
CONSUMER EXPENDITURES STUDY

How Consumers Spend
$253.7 Billion in Grocery Stores

Sales & Gross Profits For 600 Supermarket Products

Exclusive Breakouts On Service Delis & Bakeries

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SUPERMARKET BUSINESS

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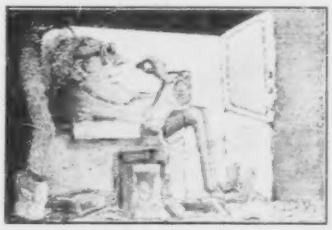
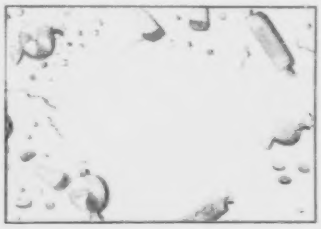
38TH ANNUAL
CONSUMER EXPENDITURES STUDY

It was a pretty good year for the supermarket industry in 1984, as instore bakeries and delis showed continuing strength, and as general merchandise and health & beauty aids outpaced grocery products in sales gains.

This 38th Annual Consumer Expenditures Study (CES) is by far our largest ever. The study has been revised and redesigned to make it both more useful and more easily readable.

Leading up to the statistical tables are seven pages of introductory charts and tables designed to give readers quick highlights of how various kinds of supermarkets performed last year, and notable winners and losers in supermarket sales.





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THE YEAR'S HOTTEST DEPARTMENTS ARE HBA, GENERAL MERCHANDISE, DELIS AND INSTORES

BY NORM BUSSEL

Sales were up in the supermarket business, but while food products showed steady, if not spectacular growth, nonfoods continue to surge ahead in sales at the nation's supermarkets.

Last year the nation's economy hovered in that gray area between recession and recovery, and most economic indicators reflected this climate of uncertainty. Grocery store sales topped $253.7 billion in 1984, an increase of 5.3 percent and much better than the 4.5 percent gain of the year before. Health and beauty aids and general merchandise sales continued to pick up.

Food tonnage, which increased 3.5 percent in 1983, registered a scant 0.6 percent rise in 1984. Among products showing tonnage decreases were semi-moist dog food (−15.5 percent), frostings, icings (−13.4 percent), frozen cakes and pastries (−9.7 percent), instant coffee (−8.4 percent) and sugar (−5.2 percent).

The Consumer Price Index for food at home, which reached a 16-year low of 1.1 percent in 1983, climbed to 3.7 percent in 1984. Compared to the inflation factors of recent years, the 1984 increase was modest, but it was still enough to hold "real" growth to a flat rate.

Although the nation's disposable personal income (DPI) rose 10.2 percent in 1984, the proportion of DPI spent for food at home dropped from 11.2 percent in 1983 to 10.8 percent in 1984, while the share spent for eating out went from 4.4 percent in 1983 to 4.3 in 1984.

Poultry posts best sales gain

Poultry led the list of foods showing the greatest increase in dollar sales, growing by $714.6 million and claiming 2.6 percent of store volume. Per capita consumption of poultry increased almost one percent in 1984, while beef remained constant.

Over the past several years, poultry has gained acceptance as a good source of low-fat protein and, in 1984, strong demand resulted in a 10.7 percent rise in retail prices. Because many consumers are increasingly interested in convenience, they are buying more boneless products such as breasts, thighs, patties and nuggets.

Fresh fruit and vegetables came in for large dollar increases in 1984, with a combined gain of $1.1 billion. Although total produce tonnage fell 5.3 percent, dollar sales surged ahead as late 1983 freezes in the South and Southwest caused the Consumer Price Index to leap from −4.3 percent for fresh fruit in 1983 to +11.1 percent in 1984, and fresh vegetable prices to rise from +3.6 percent to +10.9 percent.

Two service departments rang up healthy sales gains in 1984, with the instore bakery growing 12.3 percent and the service deli up 12.7 percent.

The number of supermarkets offering an instore bakery reached 54.5 percent last year, and average sales per store rose to $4,300. One indication of the product variety and sophistication of service offered by instore bakeries is the fact that 78 percent now provide custom cake decorating.

Service delis showed a net increase of 800 units last year, with

CONSUMER EXPENDITURES STUDY

The trend to leaner foods can be seen in the strong volume growth of poultry and fish. But baked goods are also on the rise.

most new departments appearing in larger, high-traffic new stores. The total number reached 16,700, or 55.7 percent of supermarkets, and average weekly sales per store were almost $6,000.

Beer for home consumption was high on the list of products with big dollar volume increases, as sales grew by more than $568 million and tonnage registered on the plus side (+ 1.6 percent), from a decrease (– 1.3 percent) the year before.

The 5.2 percent sales increase was partly the result of flat sales in bars and restaurants. All kinds of on-premise retailers have reported reduced consumption of alcoholic beverages due to stricter enforcement of laws against drunk driving.

Cigarette sales posted a 5.1 percent increase, $476.4 million over 1983, although consumption declined about 2.1 percent. Price increases were responsible for the growth in dollars, with the CPI changing + 6.6 percent. Tonnage continued its downward trend with a 1.4 percent drop, following a 4.1 percent decline in 1983.

Pork slips most in dollar sales

Fresh pork headed the list of items showing dollar sales decreases, declining $94.3 million on a CPI change of – 1.3 percent and a 2.6 percent decrease in per capita consumption. Other pork products showing substantial decreases: packaged bacon (– 2.7 percent), other sausage products (– 2.2 percent) and cured ham and picnics (– 2.2 percent).

Sugar also posted a decrease in sales, dropping more than $60 million in 1984 as depressed prices held the CPI to + 1.7 percent, compared with + 3.7 percent in 1983, and per capita consumption dropped by 5.3 percent as weight-conscious consumers cut back on calories.

Greeting cards lead GM gainers

Greeting cards surpassed all other GM products in 1984 with a solid 17.5 percent increase, moving up from fifth place in the prior year. Other products showing impressive growth were: records and tapes (+ 13.5 percent), batteries (+ 10.7 percent), panty hose (+ 9.7 percent) and film (+ 9.2 percent).

Magazines and newspapers again headed the list of greatest GM dollar sales increases, gaining $70.5 million, 20.5 percent of the total rise in GM sales. Women's hosiery followed with a $63 million growth in sales, or 18.4 percent of total gain, and photo supplies and processing were third with $56 million and 16.4 percent of the category's increases.

GM products showing sales decreases included: flash bulbs and cubes (– 16.2 percent), antifreeze (– 9.3 percent), garden seeds (– 6.7 percent) and motor oil (– 6.6 percent).

HBA leaders in dollar volume in 1984 were: internal analgesics ($789.8 million), shampoo ($727.6 million), infant formulas ($694.3 million) and toothpaste ($644.8 million).

Among HBA products that lost ground: color shampoo (– 14.2 percent), baby pants (– 13.6 percent), disposable bottle liners (– 5.4 percent) and effervescent antacids (– 5.3 percent).

Fitness, food and the future

America's obsession with health will probably have a greater effect than any other single factor on the future mix of supermarket products. Now standing at about 10 percent of total food store sales, diet foods are growing steadily.

More and more, the nation's consumers are becoming educated label readers. In the next decade, the public's growing awareness of diet's role in disease prevention will bring many new products to grocery store shelves, and the average supermarket manager may know more about nutrition than the average doctor does today.

METHODOLOGY

As it has been for the past 38 years, this issue of SUPERMARKET BUSINESS's Consumer Expenditures Study is a product of consensus rather than census. Our "staff of correspondents," a veritable "Who's Who" in the grocery industry, is comprised of leading manufacturers, packers, importers, bottlers, trade associations, marketing and management companies, advertising agencies and, of course, major chains and wholesalers.

Respondents to our questionnaires were supplied with sales estimates from the 37th Annual CES (1983) for the product lines in which they specialize. We asked them to indicate the percent change in retail sales for their products in all outlets and through grocery stores alone. They also had the option to adjust previous sales figures according to their knowledge of the market.

Whenever the estimates of our respondents differed significantly, they were questioned further until the reasons for the variations were resolved. The differences were usually the result of problems with definition or interpretation of questions. After adjustments were made, the reported percent changes were averaged and applied against our 1983 figures, giving us estimates for 1984.

Other sources we wish to acknowledge for their contributions to the study include: U.S. Department of Commerce, U.S. Department of Agriculture, U.S. Bureau of Labor Statistics, Census of Manufacturers and USDA Foreign Agricultural Service.

OUR DEFINITIONS OF GROCERY STORES

Definitions: Some of the following terms are referred to in this report. To assist interpretations of our findings, they are listed below:

Supermarket: Complete, full-line self-service food markets, with a minimum volume of $2 million per year.

Superette: Self-service or service food store handling groceries, meats and produce, with annual sales of $1 million to $2 million.

Convenience Store: Bantam or small food stores, usually open extended hours and selling a limited line of fast-moving items.

All Other Food Stores: Small (less than $1 million annual sales) general food stores and specialty food stores whose major line may be meat, dairy, produce or general groceries, or food stores not classified above.

Chain: An operator of four or more food retailing stores, regardless of individual dollar volume.

CONSUMER EXPENDITURES STUDY

EARLY '80s TRENDS TAKING FIRM HOLD

BY KEN PARTCH, EDITOR

Trends begun a few years ago in the food business are now taking firm shape, as big stores, super warehouse stores, specialty food stores and luxury stores all continue to grow and find their niche in the marketplace.

New directions that began several years ago in food and grocery stores, as well as in the products they sell, are beginning to take firm shape, according to the 38th Consumer Expenditures Study, which appears on the following pages.

Big stores, super warehouse stores, super upscale stores, smaller luxury stores and specialty food stores are all continuing to grow in number and to find a niche in the marketplace.

Indeed, the only grocery stores that continue to diminish in terms of share of market are those with less than $1 million in annual sales, and the $1 million to $2 million volume stores that no longer qualify under the definition of "supermarket." While supermarkets with annual sales of $2 million or more now do 71.5 percent of the business, speciality food stores increased their share by 17.3 percent, and convenience stores increased share by 14.3 percent.

Greater variety to consumers

Bigger stores imply that much greater variety can be offered to consumers, and this has been the secondary trend that is accelerating in the retail grocery industry. Not only are there more different kinds of stores, each serving its own group of customers (or segments), so too more and more stores can be more things to more than one group or segment of the marketplace.

The growth of instore bakeries and delis, service departments and salad bars, snack bars and sit-down food service areas, pharmacies and bookstores, attests to the ever-widening scope of the nation's supermarkets.

The growth in store size permits the supermarket to truly live up to its name. The produce department can offer variety and quality never before thought possible. Fruit-ripening sections are increasing. Exotic and imported produce is labeled, and preparation and use is explained and suggested in ads and in the store. Experimentation is encouraged.

The need for over-standardization, and over-limitation is no longer present. Super warehouse stores have learned that low-priced grocery departments do not indicate low-quality perishables.

Over-segmentation

On the other hand, the increased desire to offer greater variety might be encouraging the proliferation and over-segmentation in many product areas. Thirty or more different sizes, kinds and brands of mustard, for example, can be difficult to justify.

The growth of frozen foods through totally new product categories, such as high-quality diet entrees, novelty foods, certain baked items, and breakfast items, implies larger freezer cases that only larger stores can offer. The same thing is true of the growth of refrigerated foods. These items, too, are associated intimately with changing lifestyles and the need for more and more convenience—the convenience that is offered by microwave ovens and the products designed for them.

A quick glance at the so-called dairy department reveals whole new categories of growth as well as the seemingly unlimited potential of products such as yogurt, with a 10.8 percent increase. Refrigerated fruit juices appear to be setting their own pattern of skyrocketing growth.

While many traditional dairy items show only predictable growth patterns or actual flatness, fresh eggs are enjoying new-found energy with an increase of 11.2 percent. Eggs have apparently been able to survive the onslaught of poor health notices of recent years. Butter, on the other hand, is down, while sales of fresh milk remain about the same.

The impact of nutrition

The impact of the concern over health, nutrition and diet can be found in almost every food category, from canned foods to snacks and soft drinks. But the overall diet of Americans is far from one of austere sensibleness, and lack of eating for fun's sake. Beer, soft drinks, candy and gum are doing very well, thank you. Low-calorie foods and drinks are OK, but interest in decaffeinated products is largely in ground coffee, and now tea, and may have plateaued.

And just to prove the continuing contrast in food and drink habits in America, bottled water is also increasing in sales at a healthy rate, but this may be a comment on other aspects of our complex society.

The depth and breadth of the annual Consumer Expenditures Study is too great to be totally reviewed here, but certain highlights can be explored. Americans seem not to have changed too importantly in many ways, although there is plenty of truth in the much-discussed interest in lower calorie foods, healthier foods and natural foods. And while there is a decline in the use of lard and shortening, for example, there is a sizeable increase in the general use of fats and oils, largely vegetable oils and olive oil for cooking and salads.

New bursts of growth

Similarly, while there is great interest and growth in products that offer low calories in everything from salad dressing to beer, canned fruit and iced tea mix, low sodium packs and diet sweeteners, the once moribund metered calorie diet foods have found a new burst of growth through a new product.

Almost every generality, it seems, that can be made about the grocery department can be challenged through a closer look. Canned goods, for example, show no gains in general, but within the categories, canned prepared foods, such as Mexican, Oriental and canned pasta are doing well. And then, of course, it should always be remembered that the canned foods industry, which includes the growing category of canned soups, is a tremendous one, representing an enormous dollar volume to supermarkets, some $11 billion annually.

Some of the CES statistics are not easily explained. Pasta in all its forms is growing at a modest 2.3 percent, but spaghetti sauce is growing at a rate of about 12 percent. Either people are using more sauce on less pasta, or they are certainly not making their own sauce.

Less is more

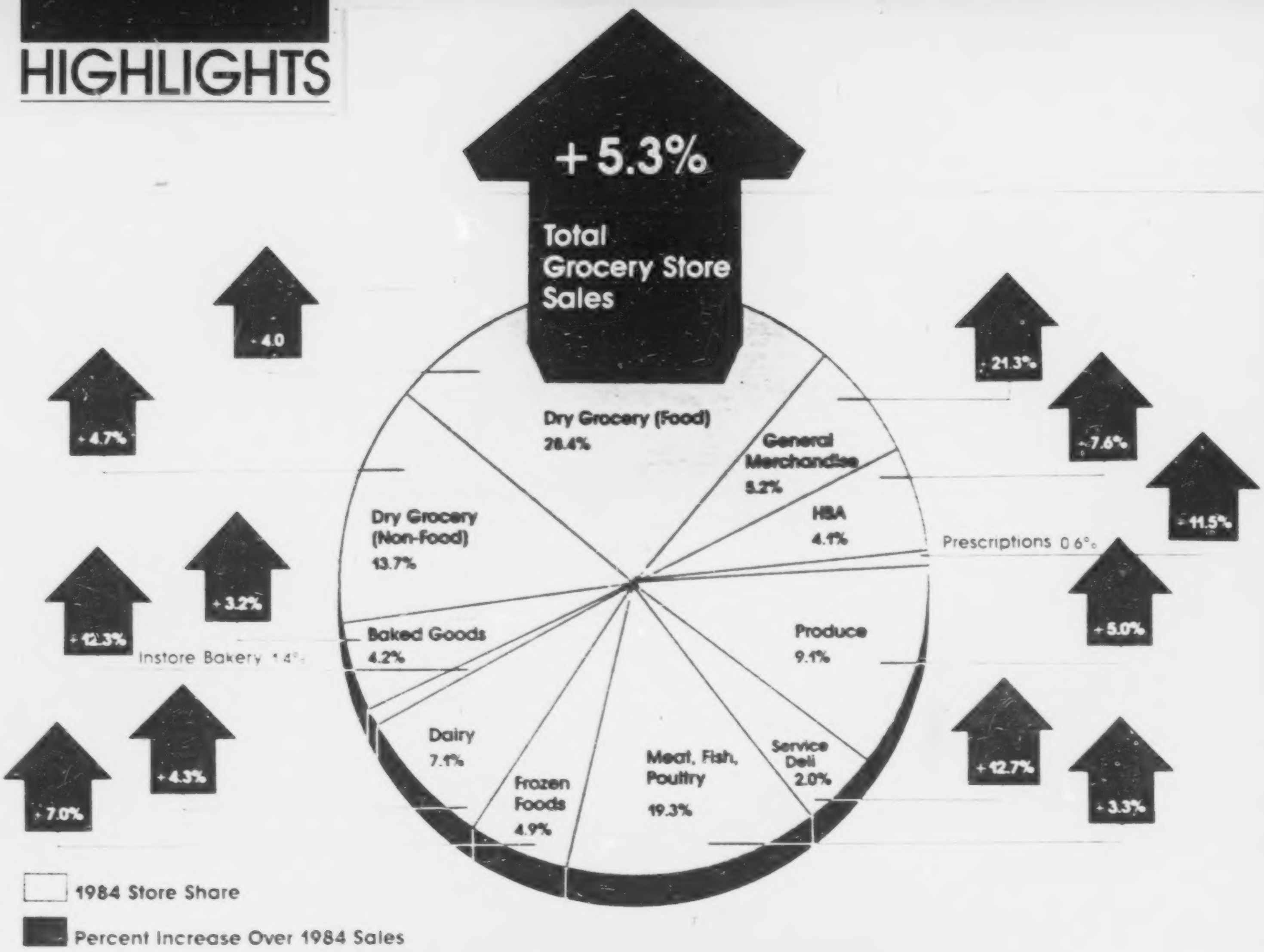
The story of fresh meat and seafood continues to be one of less red meat, beef and pork, and more poultry and seafood, even with prices of red meat declining.

Positive proof that the U.S. emerged from the economic recession in 1984 can be found in the lackluster performance of peanut butter and its associates in the jams, jellies and preserves category. When the U.S. goes into recession, consumers shift from high-cost protein to low-cost protein—thus the peanut butter phenomenon. And, as Selling Areas Marketing Inc.'s Alan Miller points out, as the U.S. moves from recession to prosperity, sales of private labels and generics decline in favor of brands.

Sales of general merchandise and health and beauty aids showed impressive gains in 1984. While general merchandise grew at a 21.3 percent rate, HBA gained 7.6 percent. With average gross margins of 37.4

Continued on page 226

HIGHLIGHTS



Significant in the rise of sales at grocery stores (as seen in the pie chart above), is the growing presence of the instore bakery and the service deli. Instore bakeries now account for about a quarter of all baked goods sales. Health & beauty aids and general merchandise are shaping up as increasingly strong and growing categories for supermarkets.

WEEKLY SPENDING IN GROCERY STORES REACHES $56.67 PER HOUSEHOLD, $20.58 PER CAPITA

	1983		1984	
POPULATION	234.7 million		237.1 million	
HOUSEHOLDS	87.1 million		86.1 million	
	ANNUAL	**WEEK**	**ANNUAL**	**WEEK**
PERISHABLES				
Per capita	$ 497.07	$ 9.56	$ 513.57	$ 9.88
Per household	$1,339.41	$25.76	$1,414.25	$27.22
DRY GROCERY (FOOD)				
Per capita	$ 294.97	$ 5.67	$ 303.76	$ 5.84
Per household	$ 794.84	$15.29	$ 836.48	$16.09
TOTAL FOODS				
Per capita	$ 792.05	$15.23	$ 817.33	$15.72
Per household	$2,134.25	$41.04	$2,250.73	$43.29
DRY GROCERY (NON-FOOD)				
Per capita	$ 141.15	$ 2.71	$ 146.30	$ 2.81
Per household	$ 380.34	$ 7.31	$ 402.87	$ 7.75
GENERAL MERCHANDISE/HBA				
Per capita	$ 93.73	$ 1.80	$ 106.40	$ 2.05
Per household	$ 252.58	$ 4.86	$ 293.02	$ 5.64
GRAND TOTAL				
Per capita	$1,026.93	$19.75	$1,070.03	$20.58
Per household	$2,767.17	$53.21	$2,946.62	$56.67

NOTE: Population and household data from U.S. Bureau of the Census. Includes one-person households. Excludes armed forces overseas.

While it is hard to find significant shifts in buying patterns from year to year, over a longer time buying trends begin to emerge. For instance, over 20 years, the percent of total grocery store sales accounted for by nonfoods has increased 24.9 percent. Sales of nonfoods in 1984 accounted for 23.6 percent of total sales at grocery stores, compared with 18.9 percent in 1964.

HIGHLIGHTS

The average household is combining a taste for leaner foods, such as poultry, with a growing sweet tooth. Fresh fish and poultry showed marked increases in volume, with only modest price rises. Baked goods on the whole and those purchased from the instore bakery are thriving. People are probably indulging their sweet tooth on the one hand and watching their caloric intake in other ways. Other notable increases: canned soups, continuing to be popular, and beer.

HOW AN AVERAGE HOUSEHOLD DOLES OUT ITS DOLLARS IN GROCERY STORES EACH WEEK

	1984	1983	CHANGE
PERISHABLES			
Baked goods	$ 2.37	$ 2.27	+ 4.4%
Dairy	4.00	3.79	+ 5.5
Frozen foods	2.75	2.54	+ 8.3
Fresh meat and provisions	8.95	8.80	+ 1.7
Fresh fish	.55	.49	+ 12.2
Fresh poultry	1.45	1.27	+ 14.2
Produce	5.17	4.86	+ 6.4
Instore bakery	.82	.72	+ 13.9
Instore deli	1.16	1.01	+ 14.9
Total	**$27.22**	**$25.75**	**+ 5.7**
DRY GROCERY (FOOD)			
Beer	$ 2.57	$ 2.41	+ 6.6
Wine and liquor	.53	.51	+ 3.9
Baby food	.35	.33	+ 6.1
Cereal and rice	1.16	1.04	+ 11.5
Candy and chewing gum	.67	.61	+ 9.8
Canned foods			
Fruits	.33	.33	—
Juices and drinks	.63	.59	+ 6.8
Meat and poultry	.35	.33	+ 6.1
Milk	.09	.09	—
Seafood	.40	.40	—
Soups	.34	.31	+ 9.7
Vegetables	.65	.65	—
Coffee and tea	1.29	1.24	+ 4.0
Dried foods	.48	.49	− 2.1
Jams, jellies and preserves	.41	.41	—
Macaroni, spaghetti, noodles	.19	.19	—
Desserts	.12	.12	—
Soft drinks	1.45	1.34	+ 8.2
Sugar	.36	.37	− 2.8
Misc.	3.69	3.53	+ 4.5
Total	**$16.06**	**$15.29**	**+ 5.0**
Total Foods	**$43.28**	**$41.04**	**+ 5.5**
DRY GROCERY (NON-FOOD)			
Paper goods	$ 1.92	$ 1.78	+ 7.9
Soaps, detergents	1.16	1.12	+ 3.6
Other household supplies	.27	.26	+ 3.8
Pet foods	1.18	1.12	+ 5.4
Tobacco products	2.32	2.06	+ 12.6
Misc.	.90	.97	− 7.8
Total	**$ 7.75**	**$ 7.31**	**+ 6.0**
GENERAL MERCHANDISE/HBA			
Health and beauty aids (non-Rx)	$ 2.31	$ 2.12	+ 9.0
Prescriptions	.35	.31	+ 12.9
Housewares	.75	.71	+ 5.6
All other general merchandise	2.23	1.72	+ 29.7
Total	**$ 5.64**	**$ 4.86**	**+ 16.0**
GRAND TOTAL	**$56.67**	**$53.21**	**+ 6.5**

HIGHLIGHTS

CATEGORIES THAT INCREASED IN SALES IN 1984

LARGEST PERCENTAGE INCREASES IN DOLLAR SALES

RANK	CATEGORY	1984 GROCERY STORE SALES (000)	% INCREASE	% OF STORE VOLUME
1	Metered Calorie Meals	108,171	35.3	.04
2	Packaged Unpopped Popcorn	284,239	34.8	.11
3	Other Frozen Breakfast Entrees	84,708	27.9	.03
4	Frozen French Toast, Pancakes	38,035	24.5	.01
5	Liquid Soaps	113,128	23.8	.04
6	Bottled Water	209,532	22.9	.08
7	Waveset Preparations	8,073	22.5	*
8	Diet Supplements	62,974	21.9	.02
9	Synthetic Sweeteners	217,069	21.2	.09
10	Frozen Breads & Rolls	241,655	21.1	.10

*Less than .005%

LARGEST VOLUME INCREASES IN DOLLAR SALES

RANK	CATEGORY	DOLLAR SALES INCREASE (000)	% INCREASE	% OF STORE VOLUME
1	Fresh Poultry	714,580	12.4	2.55
2	Fresh Vegetables	665,837	5.1	5.42
3	Service Deli	583,910	12.7	2.04
4	Beer	568,195	5.2	4.53
5	Cigarettes	476,405	5.1	3.87
6	Fresh Fruit	435,764	4.9	3.70
7	In-Store Bakery	398,720	12.3	1.44
8	Cold Cereals	379,658	11.2	1.49
9	Beef	295,023	1.4	8.42
10	Fresh Fish and Seafood	212,171	9.5	.96
11	Frozen Dinners	211,839	17.6	.56
12	Regular Coffee	184,319	5.9	1.30
13	Disposable Diapers	174,091	9.9	.76
14	Chilled Orange Juice	166,126	14.4	.52
15	Prescriptions	162,665	11.5	.62
16	Eggs (Shell)	153,180	11.2	.60
17	Crackers, Cookies, Biscuits	143,805	3.8	1.55
18	Packaged Cold Cuts	137,172	4.4	1.28
19	Yogurt	130,108	10.8	.53
20	Frozen Poultry	127,840	8.8	.62

HOW TONNAGE CHANGED FOR SOME PRODUCTS THAT LED IN DOLLAR SALES INCREASES

CATEGORY	DOLLAR SALES	RETAIL PRICE*	TONNAGE
Fresh Poultry	+12.4%	+10.6%	+1.6%
Beer	+5.2	+3.5	+1.6
Cold Cereals	+11.2	+5.5	+5.4
Cigarettes	+5.1	+6.6	−1.4
Fresh Fish & Seafood	+9.5	+6.2	+3.1
Frozen Dinners	+17.6	+3.7	+13.4
Regular Coffee	+5.9	+3.6	+2.2
Disposable Diapers & Liners	+9.9	+2.9	+6.8
Chilled Orange Juice	+14.4	+5.4	+8.5
Yogurt	+10.8	+2.8	+7.8
Canned Soup	+8.3	+3.1	+5.0
Prescriptions	+11.5	+9.6	+1.7

*Based on BLS Consumer Price Index

CATEGORIES THAT DECREASED IN SALES IN 1984

LARGEST PERCENTAGE DECREASES IN DOLLAR SALES

RANK	CATEGORY	1984 GROCERY STORE SALES (000)	% DECREASE	% OF STORE VOLUME
1	Dry Toppings	17,202	−17.3	.01
2	Flash Bulbs & Cubes	43,149	−16.2	.02
3	Dry Starch	2,904	−14.6	*
4	Color Shampoo	3,501	−14.2	*
5	Baby Pants	14,844	−13.6	.01
6	Semi-Moist Dog Food	206,482	−12.7	.08
7	Frostings, Icings, Fudge Mixes	232,811	−11.1	.09
8	Dried Apricots	19,049	−10.4	.01
9	Antifreeze	88,550	−9.3	.03
10	Honey	146,823	−8.8	.06

*Less than .005%

LARGEST VOLUME DECREASES IN DOLLAR SALES

RANK	CATEGORY	DOLLAR SALES DECREASE (000)	% DECREASE	% OF STORE VOLUME
1	Fresh Pork	94,289	−2.4	1.51
2	Instant Coffee	74,272	−4.6	.61
3	Other Sausage Products	62,373	−2.2	1.09
4	Packaged Bacon	61,838	−2.7	.88
5	Sugar	60,102	−3.6	.64
6	Cured Ham & Picnics	50,339	−2.2	.88
7	Fresh Lettuce	43,386	−2.9	.57
8	Other Canned Meats	32,345	−3.4	.36
9	Semi-Moist Dog Food	30,038	−12.7	.08
10	Frostings, Icings, Fudge Mixes	29,069	−11.1	.09

HOW TONNAGE CHANGED FOR SOME PRODUCTS THAT LED IN DOLLAR SALES DECREASES

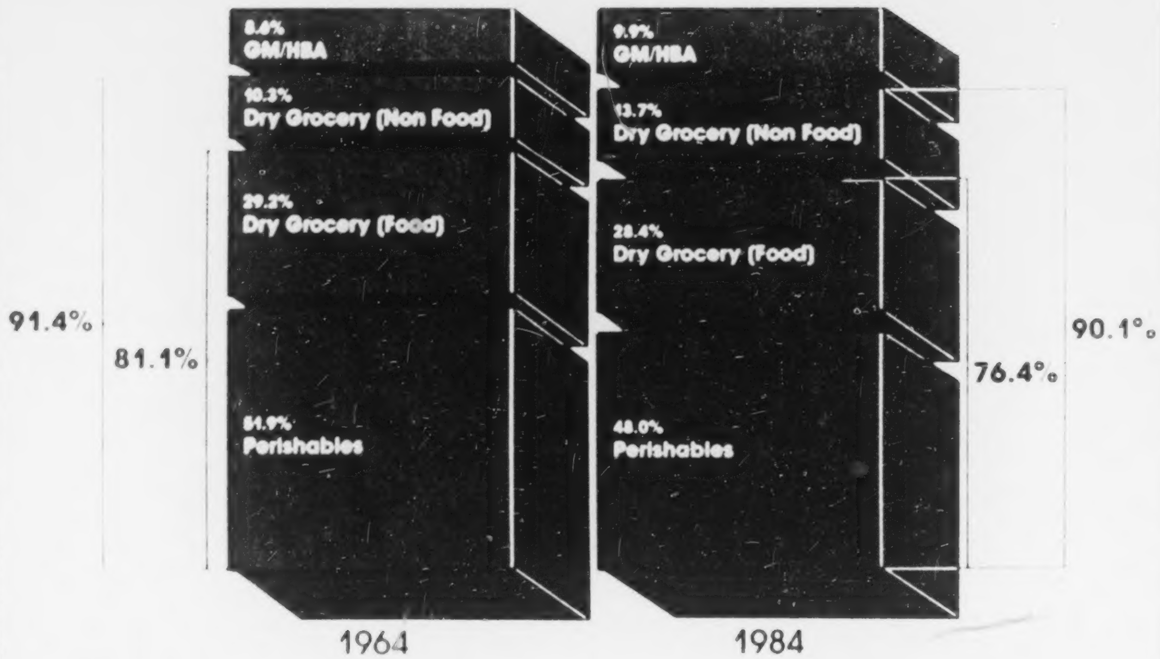
CATEGORY	DOLLAR SALES	RETAIL PRICE*	TONNAGE
Fresh Pork	−2.4%	−1.3%	−1.1%
Instant Coffee	−4.6	+4.2	−8.4
Packaged Bacon	−2.7	−2.1	−0.6
Sugar	−3.6	+1.7	−5.2
Semi-Moist Dog Food	−12.7	+3.3	−15.5
Frostings, Icings, Fudge Mixes	−11.1	+2.6	−13.4
Butter	−2.2	+2.4	−4.5
Peanut Butter	−2.2	+2.6	−4.7
Frozen Cakes & Pastries	−4.8	+5.4	−9.7
Dried Beans & Peas	−6.4	+5.1	−10.9

*Based on BLS Consumer Price Index

Among the more surprising items with large percentage increase in dollar sales are metered calorie meals, with a whopping increase of 35.3 percent, and only a tiny portion of store volume. As these meals cost a bit, however, this proves that Americans want to lose weight. They also want to avoid red meat: note how poultry leads the category of largest volume increase in dollar sales. On the flip side, fresh pork tops the list of largest volume decreases in dollar sales.

HIGHLIGHTS

SOME SIGNIFICANT SHIFTS OVER 20 YEARS



As more people buy general merchandise and health & beauty aids at the supermarket, this has cut into the share of total sales that dry grocery food products and perishables account for. Although individual segments in perishables have shown growth, notably the instore bakery, service deli and fish and meat departments, (this last because of poultry) on the whole, nonfoods have outpaced perishables.

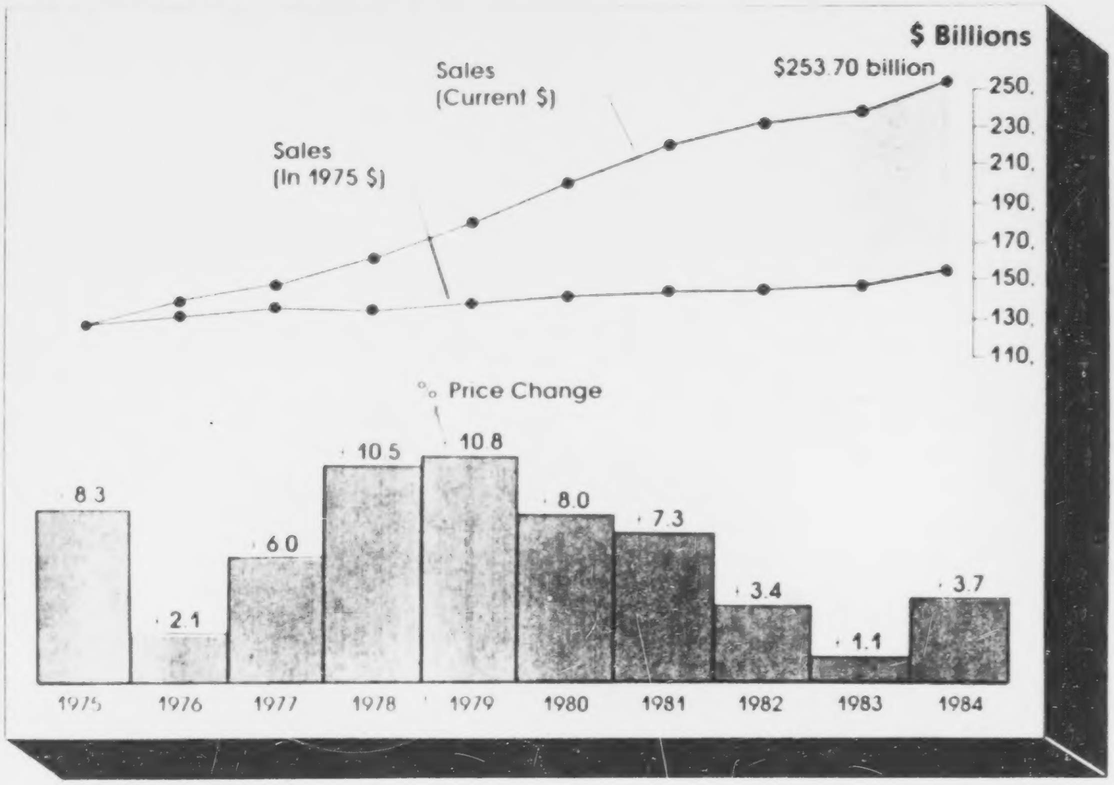
A 15-YEAR PERSPECTIVE ON HOW FOOD PRODUCTS SELL IN GROCERY STORES

	1969	1974	1979	1984
PERISHABLES ($ millions)	**$37,196**	**$59,114**	**$ 91,989**	**$121,767**
Baked goods	8.57%	7.44%	7.86%	7.37%
Dairy	8.28	8.29	9.82	9.24
Frozen foods	6.43	6.42	6.07	6.35
Fresh meat, fish, poultry	29.15	27.92	29.13	27.94
Produce	12.84	13.69	13.62	11.94
Total	65.27%	63.76%	66.50%	62.84%
DRY GROCERY ($ millions)	**19,791**	**33,599**	**46,328**	**72,021**
Baking needs	.05%	.04%	.04%	2.25%*
Alcoholic beverages	6.35	6.41	6.60	7.16
Prepared beverages	3.70	3.82	4.73	3.85
Soft drinks	2.87	3.22	3.18	3.35
Confectionery	1.41	1.31	1.37	1.54
Canned foods	8.95	8.06	7.40	7.97
Cereals, macaroni, flour	3.42	3.56	3.32	2.90*
Condiments, dressings	2.18	2.20	2.13	2.67
Desserts	.26	.21	.18	.29
Dried foods	1.40	1.54	1.51	1.34
Fats and shortenings	1.69	2.18	.89	.83
Jams, jellies and preserves	.48	.47	.46	.94
Sweeteners, flavors	1.35	2.13	1.23	1.16
All other foods	.62	1.09	.46	.91
Total	34.73%	36.24%	33.50%	37.16%
TOTAL FOODS ($ millions)	**56,987**	**92,713**	**138,317**	**193,788**
	100.0%	100.0%	100.0%	100.0%

*Includes flour **Excludes flour

HIGHLIGHTS

LITTLE REAL SALES GROWTH SEEN



From a 1975 base of $129.2 billion, sales almost doubled to $253.7 billion in 1984. After making allowances for a 66.8 percent increase in prices over that period, however, the real—or tonnage—increase was only 17.7 percent, leaving scant per capita growth over population increase.

FOOD STORE SALES—BY STORE VOLUME

	SALES (000)		PERCENT OF VOLUME	
	1983	1984	1983	1984
SUPERMARKETS over $2 million	$182,783,560	$193,105,521	71.7%	71.5%
SUPERETTES $1 million to $2 million	$ 15,199,400	$ 14,975,148	6.0	5.6
OTHER GROCERY STORES under $1 million*	$ 43,037,040	$ 45,623,331	16.9	16.9
Total Grocery Stores	$241,020,000	$253,704,000	94.6	94.0
Specialty Food Stores**	$ 13,858,000	$ 16,255,000	5.4	6.0
TOTAL FOOD STORES	$254,878,000	$269,959,000	100.0%	100.0%

*Includes convenience stores and other small grocery stores.

**Includes meat, seafood, fruit and vegetable markets, confectionery, bakery, dairy and other food stores.

There was little change in supermarket share last year. Specialty stores, however, show increased vitality.

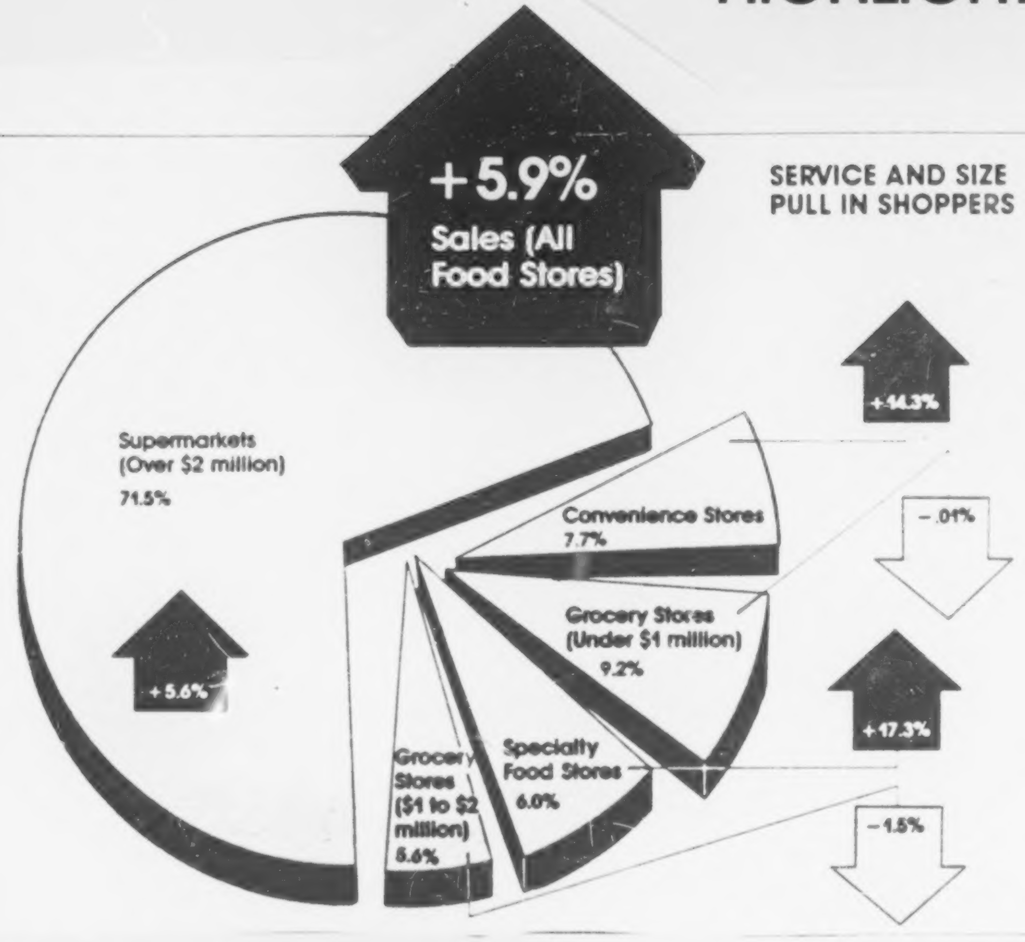
FOOD STORE SALES—BY AFFILIATION

	SALES (000)		PERCENT OF VOLUME	
	1983	1984	1983	1984
Independent Grocery Stores	$ 85,439,264	$ 89,877,485	33.6%	33.3%
Chain Grocery Stores	$155,580,736	$163,826,515	61.0	60.7
Total Grocery Stores	$241,020,000	$253,704,000	94.6	94.0
Specialty Food Stores	$ 13,858,000	$ 16,255,000	5.4	6.0
TOTAL FOOD STORES	$254,878,000	$269,959,000	100.0%	100.0%

The percent of volume realized by chain and independent stores remained constant, as it has for over a decade.

HIGHLIGHTS

SERVICE AND SIZE PULL IN SHOPPERS



Supermarkets continue to dominate the marketplace, partly thanks to the continuing and still growing strength of the super store and super warehouse store. Sales at convenience stores and specialty food stores, however, are increasing more rapidly. Declines are seen both in grocery stores with sales of under $1 million and those with sales of $1 to $2 million.

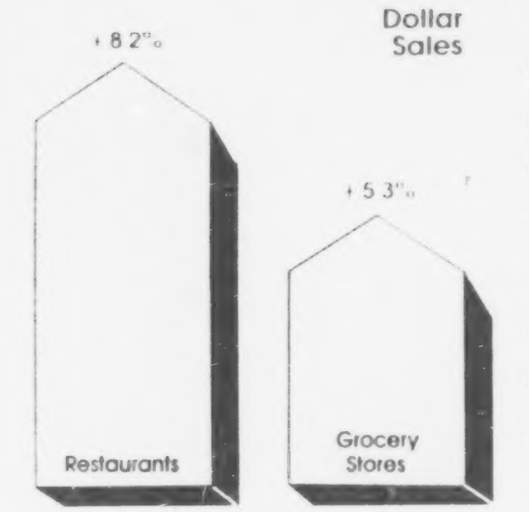
THE YEAR SUPERMARKET PRICES LEVELED OFF

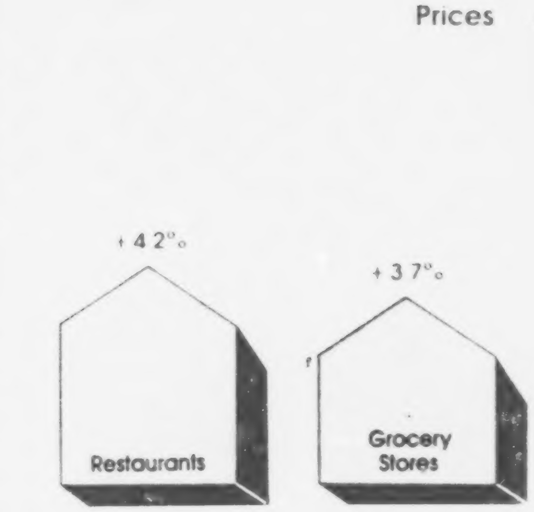
*Source: Bureau of Labor Statistics, Consumer Price Index

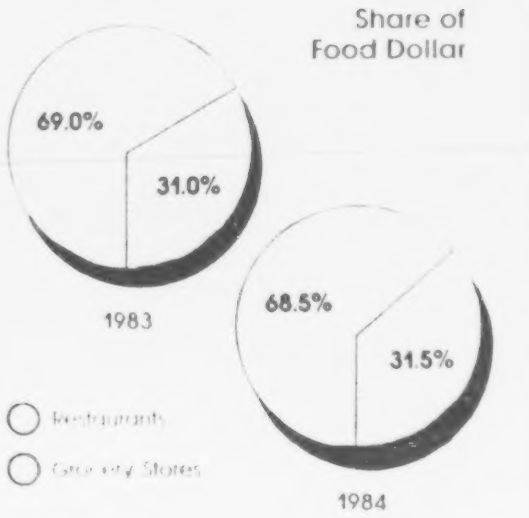
	Percent Change	
	1984	1983
FOOD	+ 3.8	+ 2.1
Food Away From Home	+ 4.2	+ 4.4
Food at Home	+ 3.7	+ 1.1
Food and Beverages	+ 3.8	+ 2.2
CEREALS & BAKERY	+ 4.4	+ 3.2
Bread, white	+ 3.3	+ 3.3
Other bread	+ 3.4	+ 2.7
Cookies	+ 6.1	+ 3.7
Cakes, cupcakes	+ 5.3	+ 4.2
Flour, prepared mixes	+ 2.6	+ 0.6
FRESH BEEF & VEAL	+ 1.2	− 1.8
Sirloin steak	+ 2.7	− 0.2
Hamburger	− 1.0	− 2.6
Chuck roast	+ 0.9	− 3.1
PORK	− 1.3	− 0.9
Chops	+ 0.3	− 0.8
Bacon	− 2.1	− 2.1
Sausage	− 1.0	− 0.3
Canned ham	− 4.6	+ 2.2
OTHER MEATS	—	—
Frankfurters	± 0.0	− 0.9
Bologna, liverwurst, salami	+ 0.4	+ 0.4
Beef & veal	+ 1.2	− 1.5
POULTRY	+ 10.6	+ 1.2
Fresh whole chicken	+ 13.2	+ 1.6
Fresh & frozen chicken parts	+ 12.2	+ 1.8
Other poultry	+ 5.0	− 0.1
FISH & SEAFOOD	+ 3.2	+ 1.2
Canned fish	− 2.3	− 2.6
Fresh & frozen fish and seafood	+ 6.2	+ 3.3
DAIRY PRODUCTS	+ 1.3	+ 1.2
Fresh whole milk	+ 0.8	+ 0.7
Butter	+ 2.4	+ 1.2
Eggs	+ 11.7	+ 4.7
Cheese	+ 1.1	+ 1.7
Ice cream & related products	+ 2.7	+ 1.9
Other dairy products	+ 2.8	+ 3.0
FRESH FRUITS & VEGETABLES	+ 11.0	− 0.3
Apples	+ 12.7	− 4.2
Bananas	− 7.6	+ 10.3
Oranges	+ 35.3	− 20.4
Potatoes	+ 27.0	− 1.5
Lettuce	− 6.9	+ 2.5
Tomatoes	+ 4.9	+ 7.7
PROCESSED FRUITS	+ 7.2	+ 1.8
Frozen fruit & fruit juices	+ 13.4	− 1.7
Other fruit juices	+ 5.4	+ 2.1
Canned & dried fruits	+ 4.3	+ 3.4
PROCESSED VEGETABLES	+ 4.7	+ 0.4
Frozen vegetables	+ 2.9	+ 4.0
Cut corn & canned beans except lima	+ 6.1	± 0.0
Other canned & dried vegetables	+ 5.1	− 1.3
SUGAR & SWEETS	+ 3.9	+ 1.9
Candy & chewing gum	+ 5.4	+ 0.8
Sugar & artificial sweeteners	+ 1.7	+ 3.6
Other sweets	+ 3.6	+ 2.1
FATS & OILS	+ 9.5	+ 1.3
Margarine	+ 10.5	+ 1.0
Other fats, oils & salad dressings	+ 11.9	+ 3.5
Non-dairy substitutes & peanut butter	+ 2.6	− 2.5
BEVERAGES	+ 2.5	+ 1.9
Cola drinks except diet cola	+ 1.3	+ 2.5
Carbonated drinks including diet cola	+ 2.0	+ 2.4
Other non-carbonated drinks	+ 4.3	+ 1.5
Roasted coffee	+ 3.6	− 1.4
Freeze-dried instant coffee	+ 4.2	+ 2.0
ALCOHOLIC BEVERAGES	+ 2.6	+ 3.8
Beer & ale	+ 3.5	+ 5.8
Whiskey	+ 1.2	+ 2.2
Wine	− 1.3	+ 0.1
OTHER PREPARED FOODS	+ 3.0	+ 3.1
Canned, packaged soup	+ 3.1	+ 3.4
Frozen prepared foods	+ 4.7	+ 4.3
Snacks	+ 4.0	+ 3.6
Seasonings, olives, pickles, relish	+ 2.7	+ 3.8
HOUSEKEEPING SUPPLIES	+ 2.4	+ 3.3
Soaps & detergents	+ 1.7	+ 4.7
Other laundry, cleaning products	+ 2.7	+ 4.6
Paper towels, napkins, tissues	+ 2.9	+ 1.0
TOBACCO PRODUCTS	+ 6.5	+ 19.5
Cigarettes	+ 6.6	+ 20.8
Other tobacco products & accessories	+ 5.6	+ 6.8
HEALTH & BEAUTY AIDS	—	—
Prescriptions	+ 9.6	+ 10.9
Hair products	+ 2.6	+ 5.5
Dental & shaving products	+ 3.6	+ 7.1
Cosmetic, bath & nail products, manicure & eye makeup implements	+ 3.8	+ 6.1
Other toilet goods	+ 3.7	+ 4.9
GENERAL MERCHANDISE	—	—
Newspapers	+ 3.9	+ 6.7
Stationery & supplies	+ 2.6	+ 4.4
Magazines, books	+ 2.5	+ 7.8
Photo supplies	+ 1.8	+ 1.6
Motor oil, coolant & other products	− 1.5	− 3.3

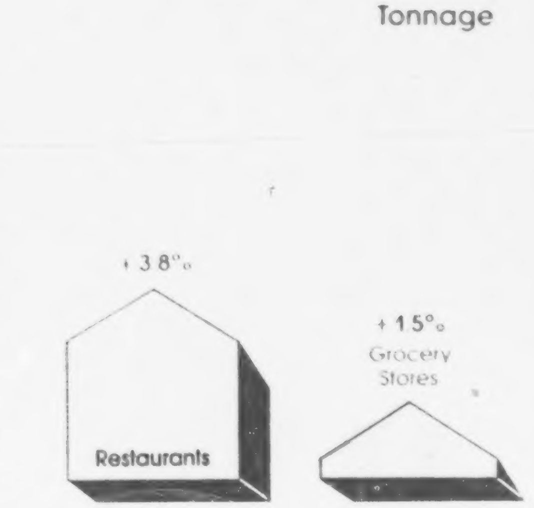
—Not available

HIGHLIGHTS









RANKING OF RETAIL SALES BY TRADE

	1984 SALES (MILLION)	PERCENT OF TOTAL	CHANGE VS. 19[illegible]
ALL RETAIL STORES	$1,297,015	100.0%	+10.5%
Motor vehicle dealers	277,008	21.4	+19.0
Furnishings, appliances	63,581	4.9	+16.3
Building supply, hardware stores	68,703	5.3	+15.1
Apparel group	66,891	5.2	+10.9
Drug and proprietary stores	44,165	3.4	+10.3
General merchandise group	153,642	11.8	+10.2
Eating and drinking places	124,109	9.6	+8.2
Specialty food stores	16,624	1.3	+6.0
All other retail stores	108,097	8.4	+5.9
Grocery Stores	**253,704**	**19.5**	**+5.1**
Liquor stores	19,494	1.5	+2.5
Gasoline service stations	100,997	7.8	+2.2

DINING OUT KEEPS AHEAD OF EATING AT HOME

In this fast-paced society, the convenience of dining out has kept dollar sales growth at restaurants climbing fater than at grocery stores. The difference in the price increases between the two segments are not great.

GROCERY STORE SALES TRENDS: 1984*

Number of Grocery Stores	158,703
Sales (000)	$253,704,000
Sales per store	$ 1,598,609
U.S. Population	237,054
"People" per store	1,494
Number of Grocery Stores	
Over $2,000,000	29,655
$1,000,000–$2,000,000	9,474
$500,000–$1,000,000	12,966
$500,000 or more	52,095
All other	106,608
Sales (000)	
Over $2,000,000	$193,105,521
$1,000,000–$2,000,000	14,975,148
$500,000–$1,000,000	10,533,530
$500,000 or more	$218,614,199
All other	$ 35,089,801
Sales per store	
Over $2,000,000	$ 6,511,736
$1,000,000–$2,000,000	1,580,657
$500,000–$1,000,000	812,396
$500,000 or more	$ 4,196,453
All other	$ 329,148
Sales—% of Total Grocery Sales	
Over $2,000,000	76.1%
$1,000,000–$2,000,000	5.9
$500,000–$1,000,000	4.2
$500,000 or more	86.2%
All other	13.8%
Chains (4 or more stores)	36,803
Total Sales (000)	$163,826,515
Sales per store	$ 4,451,445
% of Total Sales	64.6%
All other stores	121,900
Total Sales (000)	$ 89,877,485
Sales per store	$ 737,305
% of Total Sales	35.4%

*Grocery store sales reported by U.S. Dept. of Commerce

1984 SALES OF FOOD STORE PRODUCTS

SUMMARY

(add 000 to all dollar figures)	1984 1 Value of Total Domestic Consumption	2 Amount Spent in Grocery Stores	3 % of Total Store	4 % Gro to Total	5 Percentage Change from 83 to 84 Total	Grocery	1984 Supermarket Performance 6 Amount Spent in Supermarkets	7 % of Total Supermarket	8 $ Margin	9 % Margin
PERISHABLES	**$185,509,578**	**$121,766,575**	**48.00**	**66**	**3.9**	**4.4**	**$97,196,445**	**50.33**	**$26,524,520**	**27.3**
Baked Goods	16,980,848	10,624,459	4.19	63	3.2	3.2	7,398,490	3.83	1,798,500	24.3
Dairy	35,375,205	17,898,080	7.05	51	3.7	4.3	12,589,015	6.52	3,032,190	24.1
Fresh & Cured Meat, Fish & Poultry	72,734,790	48,982,056	19.31	67	2.2	2.4	39,091,500	20.24	8,400,000	21.5
Frozen Foods	16,983,078	12,309,519	4.85	72	6.4	7.0	10,755,980	5.57	3,182,230	29.6
In-Store Bakery	3,650,150	3,650,150	1.44	100	12.3	12.3	3,650,150	1.89	1,894,400	51.9
Produce	34,612,276	23,129,081	9.12	67	4.7	5.0	18,538,080	9.60	6,210,000	33.5
Service Deli	5,173,230	5,173,230	2.04	100	12.7	12.7	5,173,230	2.68	2,007,200	38.8
DRY GROCERY (FOOD)	**116,533,983**	**72,821,165**	**28.38**	**62**	**3.7**	**4.8**	**51,810,071**	**26.83**	**11,489,060**	**22.2**
Baby Foods	1,850,613	1,569,890	0.62	85	5.6	6.1	1,100,700	0.57	94,440	8.6
Baking Needs	2,836,079	2,531,840	1.00	89	-3.6	-3.6	1,853,800	0.96	397,310	21.4
Beer, Wine & Liquor	37,049,282	13,877,143	5.47	37	3.7	4.9	8,940,700	4.63	2,106,500	23.6
Breakfast Foods	4,967,030	4,742,942	1.87	95	10.3	11.0	3,476,000	1.80	689,570	19.8
Candy & Chewing Gum	8,688,788	2,985,967	1.18	34	8.6	8.6	2,046,950	1.06	683,700	33.4
Canned & Bottled Juices & Drinks	3,237,108	2,821,425	1.11	87	5.5	5.8	2,124,150	1.10	463,180	21.8
Canned & Dry Soups	2,009,304	1,874,607	0.74	93	8.2	8.7	1,409,660	0.73	293,860	20.8
Canned Fish & Other Canned Seafood	2,014,903	1,777,884	0.70	88	1.6	1.3	1,351,740	0.70	257,310	19.0
Canned Fruits	1,703,223	1,462,120	0.58	86	0.9	0.8	1,100,650	0.57	254,180	23.1
Canned Meat & Specialty Foods	2,072,909	1,555,862	0.61	75	2.3	2.2	1,081,400	0.56	226,640	21.0
Canned Milk	465,425	405,748	0.16	87	3.0	-2.7	309,000	0.16	38,630	12.5
Canned Prepared Food	1,498,521	1,377,465	0.54	92	4.7	5.2	1,004,150	0.52	235,240	23.4
Canned Vegetables	3,210,961	2,916,004	1.15	88	0.5	0.3	2,162,770	1.12	459,640	21.2
Condiments, Dressings, Spreads, Relishes	6,466,205	5,176,751	2.04	80	5.2	5.6	3,804,200	1.97	892,840	23.5
Desserts	632,244	555,251	0.22	88	5.0	5.4	424,830	0.22	97,500	23.0
Dried Foods	2,865,562	2,268,755	0.89	79	0.5	2.0	1,680,000	0.87	443,980	26.4
Fats & Shortenings	1,991,752	1,603,593	0.63	81	5.5	6.0	1,216,551	0.63	208,260	17.1
Jams, Jellies, Preserves	2,276,075	1,830,517	0.72	80	2.3	2.1	1,255,230	0.65	295,290	23.5
Pasta	1,172,470	869,219	0.34	74	2.9	2.3	637,240	0.33	166,950	26.2
Prepared Drinks	9,369,854	7,458,829	2.94	80	2.5	2.3	5,426,250	2.81	846,250	15.6
Snacks	6,696,354	4,175,104	1.65	62	5.9	8.1	2,742,100	1.42	819,890	29.9
Soft Drinks	11,312,879	6,491,562	2.56	57	3.1	3.7	4,982,000	2.58	1,263,990	25.4
Sweeteners, Flavors	2,745,592	2,251,955	0.89	82	1.0	0.8	1,680,000	0.87	253,710	15.1
All Other Dry Groceries	367,773	346,179	—	—	—	—	—	—	—	—
Duplication (Subtract)	1,066,923	905,486	0.36	85	4.4	9.2	—	—	—	—
Total Foods	**302,043,561**	**193,787,740**	**76.38**	**64**	**3.8**	**4.2**	**149,006,516**	**77.16**	**38,013,580**	**25.5**
DRY GROCERY (NON-FOOD)	**$53,105,156**	**$34,687,044**	**13.67**	**65**	**4.4**	**4.7**	**$24,659,650**	**12.77**	**$4,713,090**	**19.1**
Household Supplies	12,987,573	9,802,788	3.86	75	3.1	3.5	7,048,470	3.65	1,603,620	22.8
Paper, Plastic, Foil Products	10,075,174	9,590,477	3.39	85	6.7	6.5	6,488,300	3.36	1,221,890	18.8
Pet Foods	5,708,003	5,270,363	2.08	92	3.7	4.1	3,784,650	1.96	811,570	21.4
Tobacco Products	23,630,247	10,385,388	4.09	44	4.3	4.9	7,338,130	3.80	1,076,010	14.7
Other Groceries n.c.e.	704,158	638,029	0.25	—	—	—	—	—	—	—

Continued on page 85

WHAT THE NUMBERS MEAN

1 Includes farm consumption of farm goods. Value is computed as if sold at grocery store prices.
2 Grocery stores are defined as retail outlets doing a major portion of their business in dry groceries.
3 Percent of total sales.
4 Percent of total store volume.
5 Change in sales in total domestic consumption in grocery stores.
6 Grocery stores with $2 million-plus volume.
7 Percent of total supermarket sales.
8 Difference between cost and retail.
9 Dollar margin as a percent of retail sales.

—Not available. nd—No data available.

*Supermarket margins based on totals excluding Prescriptions.

1984 SALES OF FOOD STORE PRODUCTS

SUMMARY

(add 000 to all dollar figures)	1984						1984 Supermarket Performance			
	1 Value of Total Domestic Consumption	2 Amount Spent in Grocery Stores	3 % of Total Store	4 % Gro to Total	5 Percentage Change from 83 to 84 Total	5 Percentage Change from 83 to 84 Grocery	6 Amount Spent in Supermarkets	7 % of Total Supermarket	8 $ Margin	9 % Margin
HEALTH & BEAUTY AIDS (NON-Rx)	**27,768,467**	**10,331,686**	**4.07**	**37**	**7.7**	**7.6**	**8,110,410**	**4.20**	**2,107,830**	**26.0**
Cosmetics	4.249.531	529.295	0 21	12	6 7	7 1	407.170	.21	161.320	39 6
Dieting Aids	457.045	223.959	0.09	49	14 5	21 4	64.670	03	22.000	34 0
Feminine Hygiene Products	1.433.656	849.912	0.34	59	7.2	5.3	745.830	38	151.870	20.4
Hair Products	3.720.731	1.462.900	0.58	39	2.7	3.6	1.333.350	69	403.990	30.3
Health Aids	1.002.168	460.762	0 18	46	2.1	3 6	377.830	20	123.560	32.7
Infant Formulas	1.066.923	905.486	0 36	85	8 8	9 2	642.900	33	55.930	8 7
Nail Care Products	478.202	85.308	0 03	18	3.6	5 6	67.390	03	27.630	41 0
Oral Hygiene Products	2.076.029	1.122.747	0 44	54	2.9	3.5	977.000	50	213.810	21 9
Packaged Medications	5.801.527	1.935.604	0 76	33	6 4	7 8	1.677.650	87	425.960	25 4
Personal Cleanliness Products	158.144	33.822	0.01	21	2.7	3 3	26.710	01	8.390	31 4
Personal Deodorants, Antiperspirants	1.055.392	569.675	0.22	54	6.2	7 3	509.440	26	131.430	25 8
Shaving Products	1.660.118	553.156	0 22	33	4 8	1 6	436.910	23	112.150	25 7
Skin Care Products	1.521.791	366.633	0 14	24	3 6	6.4	290.760	15	81.540	28 0
Vitamins & Tonics	1.350.894	491.220	0.19	36	4 4	2 8	402.800	20	147.000	36 5
Other HBA	1.736.316	741.206	0.29	43	—	—	150.000	08	41.250	27 5
PRESCRIPTIONS	**19,612,483**	**1,577,145**	**0.62**	**8**	**10.4**	**11.5**	**1,577,145**	**.82**	**—**	**—**
GENERAL MERCHANDISE	**nd**	**13,320,385**	**5.25**	**nd**	**nd**	**21.3**	**9,751,800**	**5.05**	**3,642,070**	**37.4**
Auto Supplies	1.940.136	375.338	0 15	19	8 1	-6 2	305.980	16	90.260	29 5
Flashlights & Batteries	3.043.732	465.738	0 18	15	8 9	10 3	414.070	21	165.600	40 0
Greeting Cards	3.321.091	363.933	0 14	11	5 4	17 5	352.500	18	170.900	48 5
Hosiery	5.275.246	777.417	0 31	15	11 7	9 6	580.350	30	246.650	42 5
Housewares	3.632.883	318.400	0 13	9	3 2	3 1	2.670.000	1 38	1.134.750	42 5
Other Housewares	nd	3.018.795	1 19	nd	nd	4 8				
Magazines & Newspapers	8.971.680	1.319.320	0 52	15	5 2	5 6	1.051.140	54	315.340	30 0
Pet Accessories	1.518.153	405.002	0.16	27	1 0	1 0	394.860	20	157.940	40 0
Photo Supplies & Processing	5.548.881	819.983	0.32	15	7 9	7 4	698.640	36	157.200	22 5
Records & Tapes	2.170.123	192.530	0 08	9	13 2	13 5	144.370	07	59.190	41 0
Stationery	591.990	124.547	0 05	21	2 4	5 0	105.260	05	46.840	44 5
Toys	9.601.862	211.974	0 08	2	8 7	6 6	168.270	08	64.800	38 5
Writing Implements	831.140	94.854	0 04	11	4 3	4 4	68.310	04	30.400	44 5
Other General Merchandise	nd	5.714.745	nd	nd	—	—	2.798.050	1 45	1.002.200	35 8
Total Non-Foods*	**nd**	**59,916,260**	**23.62**	**nd**	**—**	**7.4**	**44,099,005**	**22.84**	**10,462,990**	**24.6**
GRAND TOTAL*	**nd**	**253,704,000**	**100.00**	**nd**	**—**	**5.3**	**193,105,521**	**100.00**	**48,476,570**	**25.3**

WHAT THE NUMBERS MEAN

1 Includes farm consumption of farm goods. Value is computed as if sold at grocery store prices.

2 Grocery stores are defined as retail outlets doing a major portion of their business in dry groceries.

3 Percent of total sales.

4 Percent of total store volume.

5 Change in sales in total domestic consumption in grocery stores.

6 Grocery stores with $2 million-plus volume.

7 Percent of total supermarket sales.

8 Difference between cost and retail.

9 Dollar margin as a percent of retail sales.

—Not available. nd—No data available.

*Supermarket margins based on totals excluding Prescriptions.

PERISHABLES

(add 000 to all dollar figures)	1984										1983			
	Value[1] of Total Domestic Consumption	Amount Spent in Grocery Stores[2]	% of Total Store	% Gro[2] to Total	Percentage Change from '83 to '84 Total[1]	Percentage Change from '83 to '84 Grocery[2]	Amount Spent in Supermarkets	% of Total Supermarket	$ Margin	% Margin	Value[1] of Total Domestic Consumption	Amount Spent in Grocery Stores[2]	% of Total Store	% Gro[2] to Total
PERISHABLES														
Baked Goods	**$16,980,849**	**$10,624,459**	**4.19**	**63**	**3.2**	**3.2**	**$7,398,490**	**3.83**	**$1,798,500**	**24.3**	**$16,462,000**	**$10,296,390**	**4.25**	**63**
Breads & Rolls	9,626,469	5,957,217	2.35	62	2.9	2.8	4,064,900	2.10	975,500	24.0	9,354,120	5,795,050	2.39	62
Rolls, Bread Type[4]	1,305,474	369,862	0.15	28	3.3	3.6					1,263,770	357,010	0.15	28
Variety Bread	1,683,411	732,739	0.29	44	5.5	5.8					1,595,650	692,570	0.29	43
White Bread	6,637,583	4,854,616	1.91	73	2.2	2.3					6,494,700	4,745,470	1.96	73
Crackers, Cookies, Biscuits	4,308,403	3,928,135	1.55	91	3.6	3.8	2,825,550	1.46	709,200	25.1	4,158,690	3,784,330	1.56	91
Sweet Goods	3,045,977	739,107	0.29	24	3.3	3.1	508,040	0.26	113,800	22.4	2,949,190	717,010	0.30	24
Cakes & Other Pastry	1,991,016	438,568	0.17	22	3.6	3.7					1,921,830	422,920	0.17	22
Doughnuts	567,818	195,710	0.08	34	1.1	1.2					561,640	193,390	0.08	34
Pies	487,143	104,829	0.04	22	4.6	4.1					465,720	100,700	0.04	22
In-Store Bakery	**3,650,150**	**3,650,150**	**1.44**	**100**	**12.3**	**12.3**	**3,650,150**	**1.89**	**1,894,400**	**51.9**	**3,251,430**	**3,251,430**	**1.34**	**100**
Dairy	**35,375,205**	**17,898,000**	**7.05**	**51**	**3.7**	**4.3**	**12,589,015**	**6.52**	**3,032,190**	**24.1**	**34,119,540**	**17,157,530**	**7.09**	**50**
Cheese	5,606,740	4,059,387	1.60	72	2.6	2.5	3,079,880	1.59	893,690	29.0	5,463,150	3,959,120	1.64	72
Cottage & Pot Cheese	689,761	489,351	0.19	71	5.1	5.4	357,340	0.19	94,720	26.5	656,290	464,280	0.19	71
Natural Cheese[5]	3,100,595	1,802,016	0.71	58	2.7	2.9	1,344,840	0.70	398,070	29.6	3,019,080	1,751,230	0.72	58
Processed Cheese[6]	1,816,384	1,768,021	0.70	97	1.6	1.4	1,377,700	0.71	400,900	29.1	1,787,780	1,743,610	0.72	98
Eggs (Shell)	4,766,162	1,520,860	0.60	32	10.8	11.2	957,240	0.50	160,800	16.8	4,301,590	1,367,680	0.57	32
Milk & Milk Products	18,965,935	7,121,709	2.81	38	0.8	0.7	4,817,940	2.50	1,034,960	21.5	18,822,220	7,069,160	2.92	38
Butter	1,723,859	863,799	0.34	50	2.5	2.2	687,950	0.36	139,000	20.2	1,768,060	883,230	0.36	50
Fresh Cream	418,597	233,956	0.09	56	1.8	1.6	177,400	0.09	42,580	24.0	426,270	237,760	0.10	56
Fresh Milk	16,756,868	5,963,109	2.35	36	1.1	1.2					16,566,610	5,892,400	2.43	36
For Home Consumption	*10,497,942*	*5,963,109*	*2.35*	*57*	*1.6*	*1.2*	*3,907,000*	*2.02*	*840,160*	*21.5*	*10,332,620*	*5,892,400*	*2.43*	*57*
Other Milk	*6,258,926*				*0.4*						*6,233,990*			
Refrigerated Toppings[7]	66,611	60,845	0.02	91	8.7	9.1	45,590	0.02	13,220	29.0	61,280	55,770	0.02	91
Yogurt	1,646,509	1,334,808	0.53	81	12.3	10.8	952,350	0.49	242,850	25.5	1,466,170	1,204,700	0.50	82
Margarine	1,942,689	1,607,605	0.63	83	5.1	5.3	1,133,340	0.59	265,200	23.4	1,848,420	1,526,690	0.63	83
Refrigerated Fruit Juices, Drinks[8]	1,679,288	1,613,348	0.64	96	13.2	13.5	1,145,200	0.59	288,600	25.2	1,483,480	1,420,890	0.59	96
Apple Juice	54,315	50,691	0.02	93	18.8	19.3					45,720	42,490	0.02	93
Grapefruit Juice	116,484	107,702	0.04	92	3.8	4.1					112,220	103,460	0.04	92
Orange Flavored Drinks	97,681	91,842	0.04	94	10.2	10.6					88,640	83,040	0.03	94
Orange Juice	1,364,123	1,319,776	0.52	97	14.1	14.4					1,195,550	1,153,650	0.48	96
Other Fruit Drinks, Juices	46,684	43,337	0.02	93	12.9	13.3					41,350	38,250	0.02	93
Refrigerated Dough Products	577,431	539,781	0.21	93	4.7	5.2	421,440	0.22	119,270	28.3	551,510	513,100	0.21	93
Refrigerated Fish Appetizers	31,495	29,003	0.01	92	7.6	8.1	23,285	0.01	7,570	32.5	29,270	26,830	0.01	92
Refrigerated Pickles, Relishes	158,957	71,580	0.03	45	3.4	3.2	58,340	0.03	19,250	33.0	153,730	69,360	0.03	45
Frozen Foods	**16,983,078**	**12,309,519**	**4.85**	**72**	**6.4**	**7.0**	**10,755,980**	**5.57**	**3,182,230**	**29.6**	**15,966,700**	**11,499,560**	**4.75**	**72**
Frozen Baked Goods	1,153,050	1,034,389	0.41	90	4.2	4.4	884,900	0.46	281,410	31.8	1,106,470	990,820	0.41	90
Frozen Bagels	106,983	99,487	0.04	93	14.9	15.2	84,630	0.04	26,400	31.2	93,110	86,360	0.04	93
Frozen Breads & Rolls	281,622	241,655	0.10	86	20.3	21.1	200,320	0.10	62,900	31.4	234,100	199,550	0.08	85
Frozen Cakes, Pastries	451,041	416,757	0.16	92	5.1	4.8	365,000	0.19	120,450	33.0	475,280	437,770	0.18	92
Frozen Pies	313,403	276,490	0.11	88	3.1	3.5	234,950	0.12	71,660	30.5	303,980	267,140	0.11	88
Frozen Breakfast Entrees	314,732	298,677	0.12	95	12.1	13.3	280,480	0.15	81,340	29.0	280,720	263,700	0.11	94
French Toast, Pancakes	40,280	38,035	0.01	94	23.9	24.5					32,510	30,550	0.01	94
Waffles	186,502	175,934	0.07	94	4.7	5.4					178,130	166,920	0.07	94
Other Breakfast	87,950	84,708	0.03	96	25.5	27.9					70,080	66,230	0.03	95
Ice Cream[9]	4,586,613	1,515,592	0.60	33	6.7	5.6	1,273,230	0.66	362,870	28.5	4,298,930	1,435,220	0.59	33
Bulk Ice Cream	703,533	—	—	—	6.2	—					622,460	—	—	—
Packaged Ice Cream	2,543,419	1,515,592	0.60	60	6.1	5.6					2,397,190	1,435,220	0.59	60
Specialty Ice Cream	1,339,662				8.1						1,239,280			
Frozen Coffee Creamer	44,712	40,013	0.02	89	4.2	4.8	35,250	0.02	10,000	28.4	42,910	38,180	0.02	89
Frozen Toppings	186,216	170,041	0.07	91	6.8	7.2	146,640	0.08	37,390	25.5	174,360	158,620	0.07	91
Frozen Meat, Fish, Poultry	3,045,357	2,463,712	0.97	81	5.8	6.8	2,130,080	1.10	698,940	32.8	2,877,800	2,307,260	0.95	80

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[1] All consumption—whether at farm level or by institutions, restaurants, government—is given here in terms of retail store valuation (except as otherwise noted). Excluded are those portions of a commodity which are used commercially in making some other products.

[2] Refers to grocery stores and includes supermarkets. Excluded from this column (but included in the first column) are sales by such specialty food stores as delicatessens, dairy stores, bakeries, meat markets, confectionery stores, fruit and vegetable markets, egg dealers.

[3] Decreases are shown by minus signs. Other figures represent increases.

[4] Includes bagels, onion rolls.

[5] Includes cheddar, colby, brick, cream, foreign types.

[6] Includes cheese food and cheese spreads.

[7] Aerosol packaged consumer sizes. Butterfat and non-butterfat bases. Excludes powders.

[8] In carton, bottle or plastic.

[9] Grocery store sales are mainly packaged ice cream and specialties, and a negligible amount of bulk ice cream

CONSUMER EXPENDITURES STUDY

PERISHABLES

CONTINUED

(add 000 to all dollar figures)	1984										1983			
	Value[1] of Total Domestic Consumption	Amount Spent in Grocery Stores[2]	% of Total Store	% Gro[2] to Total	Percentage Change from 83 to 84 Total[1]	Percentage Change from 83 to 84 Grocery[2]	Amount Spent in Supermarkets	% of Total Supermarket	$ Margin	% Margin	Value[1] of Total Domestic Consumption	Amount Spent in Grocery Stores[2]	% of Total Store	% Gro[2] to Total
Fish & Other Seafood	841 514	618,109	0 24	73	4 3	4 5	533 460	0 28	178 890	33 5	806 720	591 600	0 24	73
Frozen Fish Sticks	*109,679*	*85,430*	*0 03*	*78*	*3 9*	*2 5*	*74 270*	*0 04*	*25 250*	*34 0*	*114,130*	*87 620*	*0 04*	*77*
Frozen Shrimp	*226 950*	*173 778*	*0 07*	*77*	*11 6*	*10 3*	*149 000*	*0 08*	*53 640*	*36 0*	*203 360*	*157 550*	*0 07*	*77*
Other Frozen Fish & Seafood	*504 885*	*358,901*	*0 14*	*71*	*3 2*	*3 6*	*310 190*	*0 16*	*100 000*	*32 2*	*489,230*	*346 430*	*0 14*	*71*
Frozen Meat	551,117	265,033	0 10	48	0 6	0 8	232 750	0 12	76 800	33 0	547 830	262 930	0 11	48
Frozen Poultry	1 652 726	1,580,570	0 62	96	8 5	8 8	1,363 870	0 71	443 250	32 5	1 523 250	1 452 730	0 60	95
Frozen Prepared Foods (Precooked)[10]	3 429,729	3,332 833	1 31	97	8 4	10 0	2 943 890	1 52	859 170	29 2	3 164 470	3 028 970	1 25	96
Frozen Dinners	1 411 535	1 415,469	0 56	100	14 8	17 6	1 247 370	0 65	366 700	29 4	1 229 560	1 203 630	0 50	98
Frozen Meat Pies	241 482	222,276	0 09	92	10 1	10 8	376 230	0 19	103 460	27 5	219 330	200 610	0 08	91
Frozen Pizza	1 057 440	1,015 987	0 40	96	1 3	2 1	895 800	0 46	259 780	29 0	1 043 870	995 090	0 41	95
Frozen Poultry Pies	222 746	205,426	0 08	92	9 7	11 3		(see Meat Pies)			203 050	184 570	0 08	91
Frozen Oriental	209 242	200 232	0 08	96	9 7	10 4	179 540	0 09	55 300	30 8	190 740	181 370	0 07	95
Frozen Mexican	260 501	247 917	0 10	95	2 6	2 9	222 850	0 11	67 300	30 2	253 900	240 930	0 10	95
Other Frozen Prepared Foods	26 782	25 525	0 01	95	11 5	12 1	22 100	0 01	6 630	30 0	24 020	22 770	0 01	95
Frozen Fruits[11]	126 154	117 380	0 05	93	0 4	0 6	100 950	0 05	32 800	32 5	125 600	116 650	0 05	93
Blueberries	12 182	11 007	00	90	2 2	2 3					11 920	10 760	00	90
Raspberries	14 169	13,075	0 01	92	3 8	4 1					13 650	12 560	0 01	92
Strawberries	62 056	58,438	0 02	94	0 9	0 7					62 620	58 850	0 02	94
Other Frozen Fruits	37 747	34 859	0 01	92	0 9	1 1					37 410	34 480	0 01	92
Fruit Juice Concentrates	1 797 350	1 637,380	0 65	91	5 4	5 8	1,419 660	0 74	371 800	26 2	1 705 120	1 548 150	0 64	91
Apple Juice	141 933	130 738	0 05	92	1 7	1 9					139,560	128 300	0 05	92
Grape	118 562	107,131	0 04	90	1 5	1 7					116 810	105 340	0 04	90
Grapefruit	21 430	19,020	0 01	89	0 8	0 9					21 260	18 850	0 01	89
Orange	1 479 247	1,346 577	0 53	91	6 4	6 8	1,138,380	0 59	284 600	25 0	1 390 270	1 260 940	0 52	91
Other Fruit Concentrates	36 178	33 915	0 01	94	2 8	2 6	281 280	0 15	87 200	31 0	37 220	34 820	0 01	94
Frozen Fruit Drinks	140 678	128 667	0 05	91	0 2	1 0	109 990	0 06	32 450	29 5	140 420	127 380	0 05	91
Lemonade Bases	52 191	48,020	0 02	92	3 6	1 7					54 140	48 850	0 02	90
Regular Orange	12 761	11 389	00	89	2 5	2 7					12 450	11 090	00	89
Synthetic Orange[12]	34 934	31 368	0 01	90	3 6	3 8					33 720	30 220	0 01	90
Other Fruit Drinks	40 792	37,890	0 01	93	1 7	1 8					40 110	37 220	0 02	93
Frozen Vegetables	2 158 486	1,570 836	0 62	73	5 3	5 8	1 400 910	0 73	414 060	29 6	2 049 900	1 484 610	0 61	72
Asparagus	59 415	41,097	0 02	69	1 2	1 4					58 710	40 530	0 02	69
Broccoli	133 887	94 085	0 04	70	4 2	4 4					128 490	90 120	0 04	70
Cauliflower	38 509	27 139	0 01	70	2 5	2 8					37 570	26 400	0 01	70
Corn	182 546	125,422	0 05	69	10 1	10 3					165 800	113 710	0 05	69
French Fried Potatoes	798 137	640 302	0 25	80	8 2	8 5	540 480	0 26	151 300	28 0	737 650	590 140	0 24	80
Green Beans	92 453	67,142	0 03	73	2 6	3 2					90 110	65 060	0 03	72
Green Peas	153 643	107 635	0 04	70	4 2	4 5					147 450	103 000	0 04	70
Lima Beans	52 511	34 300	.0 01	65	1 1	1 3					51 940	33 860	0 01	65
Spinach	62 260	44 067	0 02	71	1 4	1 7					61 400	43 330	0 02	71
Other Potato Products	100 477	72 469	0 03	72	6 1	6 4	61 500	0 03	19 060	31 0	94 700	68 110	0 03	72
Other Frozen Vegetables	484 649	317 178	0 13	65	1 8	2 2	798 930	0 41	243 700	30 5	476 080	310 350	0 13	65
Fresh & Cured Meat, Fish & Poultry	**72 734 790**	**48 982,056**	**19 31**	**67**	**2 2**	**2 4**	**39,091 500**	**20 24**	**8 400 000**	**21 5**	**71 154 020**	**47 841 170**	**19 77**	**67**
Fresh Fish & Other Fresh Seafood	2 739 203	2 445 551	0 96	89	9 8	9 5					2 494 720	2 233 380	0 92	90
Fresh Meat	43 644 945	26 968 829	10 63	62	0 9	1 0					43 257 510	26 689 930	11 03	62
Beef	35 383 072	21 368 123	8 42	60	1 2	1 4					34 963 510	21 073 100	8 71	60
Lamb	1 224 801	1 079 833	0 43	88	3 6	3 9					1 182 240	1 039 300	0 43	88
Pork	5 930 015	3 834 411	1 51	65	2 2	2 4					6 063 410	3 928 700	1 62	65
Veal	1 107 058	686 462	0 27	62	5 6	5 8					1 048 350	648 830	0 27	62
Fresh Poultry	9 823 491	6 477 320	2 55	66	12 1	12 4					8 763 150	5 762 740	2 38	66
Packaged Meats	16 527 151	13 090 356	5 16	79	0 7	0 5					16 638 640	13 155 120	5 44	79
Cured Ham & Picnics	2 832 404	2,237 811	0 88	79	2 5	2 2					2 905 030	2 288 150	0 95	79
Frankfurters	1 916 574	1 486 253	0 59	78	0 9	0 7					1 933 980	1 496 730	0 62	77
Packaged Bacon	2 716 098	2 228 452	0 88	82	2 8	2 7					2 794 340	2 290 290	0 95	82
Packaged Cold Cuts	4 126 726	3 254 712	1 28	79	4 2	4 4					3 960 390	3 117 540	1 29	79
Sausages (Uncooked)	1 417 619	1 110 381	0 44	78	1 6	1 5					1 440 670	1 127 290	0 47	78
Other Sausage Products (Cooked)	3 517 728	2 772 747	1 09	79	2 4	2 2					3 604 230	2 835 120	1 17	79
Service Deli	**5 173 230**	**5 173 230**	**2 04**	**100**	**12 7**	**12 7**	**5 173 230**	**2 68**	**2 007 200**	**38 8**	**4 589 320**	**4 589 320**	**1 90**	**100**
Produce	**34 612 276**	**23 129 081**	**9 12**	**67**	**4 7**	**5 0**	**18 538 080**	**9 60**	**6 210 000**	**33 5**	**33 059 360**	**22 027 480**	**9 10**	**67**
Fresh Vegetables	22 968 654	13 739 007	5 42	60	4 9	5 1					21 905 020	13 073 170	5 40	60
Carrots	505 964	352 327	0 14	70	6 4	7 1					475 530	328 970	0 14	69
Celery	675 330	425 635	0 17	63	8 2	8 5					624 150	392 290	0 16	63
Corn	538 018	293 612	0 12	55	9 4	9 7					491 790	267 650	0 11	54
Lettuce	2 276 379	1 452 674	0 57	64	3 4	2 9					2 356 500	1 496 060	0 62	63
Mushrooms	625 578	425 832	0 17	68	8 5	8 8					576 570	391 390	0 16	68
Onions	925 987	529 441	0 21	57	5 3	5 5					879 380	501 840	0 21	57

[10] Includes frozen soups.

[11] Consumer size packages for home use.

[12] Excludes powdered synthetic orange.

*Less than .005%

CONSUMER EXPENDITURES STUDY

PERISHABLES

CONTINUED

(add 000 to all dollar figures)	1984										1983			
	Value[1] of Total Domestic Consumption	Amount Spent in Grocery Stores[2]	% of Total Store	% Gro[2] to Total	Percentage Change from '83 to '84 Total[1]	Percentage Change from '83 to '84 Grocery[2]	Amount Spent in Supermarkets	% of Total Supermarket	$ Margin	% Margin	Value[1] of Total Domestic Consumption	Amount Spent in Grocery Stores[2]	% of Total Store	% Gro[2] to Total
Potatoes	3,348.721	2,008.553	0 79	60	12 2	12 5					2 984 600	1 785 380	0 74	60
Tomatoes	2 388 636	1 387 875	0 55	58	3 7	3 9					2 303 410	1 335 780	0 55	58
Other Fresh Vegetables	11 684,040	6 863 058	2 71	59	4 2	4 4					11 213 090	6 573 810	2 72	59
Fresh Fruit	11 643 621	9 390 074	3 70	81	4 4	4 9					11 154 340	8 954 310	3 70	80
Apples	2 422 010	2 129 012	0 84	88	8 7	9 4					2 228 160	1 946 080	0 80	87
Bananas	1 767 687	1 419 127	0 56	80	-1 6	-1 8					1 796 430	1 445 140	0 60	80
Citrus Fruits	2 224 383	1 848 186	0 73	83	7 6	8 2					2 067 270	1 708 120	0 71	83
Other Fresh Fruits	5 229 542	3 993 749	1 57	76	3 3	3 6					5 062 480	3 854 970	1 59	76
Total Perishables	**185,509.578**	**121 766 575**	**48 00**	**66**	**3 9**	**4 4**	**97,196.445**	**50 33**	**26,524,520**	**27.3**	**178,682.378**	**116 662 880**	**48 29**	**65**

CONSUMER EXPENDITURES STUDY

DRY GROCERY: FOOD

(add 000 to all dollar figures)	1984										1983			
	Value[1] of Total Domestic Consumption	Amount Spent in Grocery Stores[2]	% of Total Store	% Gro[2] to Total	Percentage Change from '83 to '84 Total[1]	Percentage Change from '83 to '84 Grocery[2]	Amount Spent in Supermarkets	% of Total Supermarket	$ Margin	% Margin	Value[1] of Total Domestic Consumption	Amount Spent in Grocery Stores[2]	% of Total Store	% Gro[2] to Total
DRY GROCERIES														
Baby Foods[13]	**$1 850 613**	**$1 569 890**	**0 62**	**85**	**5 6**	**6 1**	**1 100 700**	**0 57**	**94 440**	**8 6**	**$1 752 250**	**$1 479 150**	**0 61**	**84**
Desserts	60 233	50 200	0 02	83	-3 1	-2 6	35 640	0 02	3 560	10 0	62 150	51 540	0 02	83
Fruits & Juices	333 346	288 268	0 11	86	2 2	3 1	204 670	0 11	20 050	9 8	326 170	279 600	0 12	86
Meat & Combinations	243 933	202 848	0 08	83	2 0	2 5	144 030	0 07	14 980	10 4	239 150	197 900	0 08	83
Vegetables	88 317	74 335	0 03	84	2 1	2 8	52 880	0 03	5,130	9 7	86 500	72 310	0 03	84
Infant Cereals	57 862	48 755	0 02	84	0 7	0 9	34 640	0 02	4,220	12 2	57 460	48 320	0 02	84
Infant Formulas	1 066 923	905 486	0 36	85	8 8	9 2	628 840	0 33	46 500	7 4	980 810	829 480	0 34	85
Hypoallergenic Formulas[14]	*247 358*	*211 185*	*0 08*	*85*	*11 8*	*12 1*					*221 250*	*188 390*	*0 08*	*85*
Routine Infant Formulas	*819 565*	*694 300*	*0 27*	*85*	*7 9*	*8 3*					*759 560*	*641 090*	*0 27*	*84*
Baking Needs	**2 836 079**	**2 531 840**	**1 00**	**89**	**3 6**	**3 6**	**1 853 800**	**0 96**	**397 310**	**21 4**	**2 942 660**	**2 625 360**	**1 09**	**89**
Baking Chocolate & Bits	356 722	338 169	0 13	95	0 9	1 1	247 560	0 13	54 460	22 0	353 540	334 490	0 14	95
Baking Powder	21 626	19 389	0 01	90	1 2	1 3	14 190	0 01	3 760	26 5	21 3/0	19 140	0 01	90
Baking Soda	14 861	12 397	00	83	2 0	2 2	9 075	00	2 430	26 8	14 570	12 130	0 01	83
Yeast	50 853	47 735	0 02	94	1 3	1 5	34 940	0 02	10 940	31 3	50 200	47 030	0 02	94
Baking Nuts	353 621	282 609	0 11	80	2 5	3 2	207 340	0 11	59 100	28 5	362 690	291 880	0 12	80
Shelled Walnuts	243 954	193 227	0 08	79	2 9	3 8					251 240	200 860	0 08	80
Other Baking Nuts	109 667	89 382	0 04	82	1 6	1 8					111 450	91 020	0 04	82
Flour	2 038 396	1 831 541	0 72	90	4 8	4 6	1 340 695	0 69	266 620	19 9	2 140 290	1 920 690	0 80	90
Cake Flour	13 028	11 643	00	89	2 1	2 4	8 525	00	1 920	22 5	12 760	11 370	00	89
Corn Meal	150 353	127 350	0 05	85	0 8	1 2	93 220	0 05	20 320	21 8	149 160	125 840	0 05	84
Family Flour	586 112	475 263	0 19	81	3 6	3 5	347 900	0 18	50 800	14 6	608 000	492 500	0 20	81
Pancake & Waffle Mixes	134 094	123 236	0 05	92	5 1	4 8	90 210	0 05	21 380	23 7	141 300	129 450	0 05	92
Prepared Mixes	1 154 809	1 094 049	0 43	95	6 0	5 8	800 840	0 41	172 200	21 5	1 229 070	1 161 530	0 48	95
Cake Mixes	*523 830*	*494 526*	*0 19*	*94*	*4 9*	*4 8*					*550 820*	*519 460*	*0 22*	*94*
Frostings, Icings, Fudge Mixes	*253 868*	*232 811*	*0 09*	*92*	*11 3*	*11 1*					*286 210*	*261 880*	*0 11*	*91*
Pie Crust Mixes	*61 368*	*59 091*	*0 02*	*96*	*1 1*	*1 2*					*60 700*	*58 390*	*0 02*	*96*
Pizza Pie Mixes	*83 073*	*80 758*	*0 03*	*97*	*6 1*	*5 8*					*88 470*	*85 730*	*0 04*	*97*
Other Prepared Mixes	*232 669*	*226 863*	*0 09*	*98*	*4 2*	*3 9*					*242 870*	*236 070*	*0 10*	*97*
Beer, Wine & Liquor[15]	**37 049 282**	**13 877 143**	**5 47**	**37**	**3 7**	**4 9**	**8 940 700**	**4 63**	**2 106 500**	**23 6**	**35 742 460**	**13 222 790**	**5 49**	**37**
Beer	18 227 135	11 495 025	4 53	63	4 4	5 2	7 391 100	3 83	1 493 000	20 2	17 451 590	10 926 830	4 53	63
Beer for Home Consumption	*12 424 403*	*11 495 025*	*4 53*	*93*	*4 7*	*5 2*					*11 866 670*	*10 926 830*	*4 53*	*92*
Beer for On-Premise Consumption	*5 802 732*	—	—	—	*3 9*	—					*5 584 920*		—	
Liquor	12 247 057	314 309	0 12	3	2 8	4 1	291 500	0 15	116 600	41 0	11 913 480	301 930	0 13	3
Wine	6 575 089	2 067 809	0 82	31	3 1	3 7	1 258 100	0 65	496 900	39 5	6 377 390	1 994 030	0 83	31
Breakfast Foods	**4 967 030**	**4 742 942**	**1 87**	**95**	**10 3**	**11 0**	**3 476 000**	**1 80**	**689 570**	**19 8**	**4 501 990**	**4 272 710**	**1 77**	**95**
Cold Cereals	3 914 617	3 769 458	1 49	96	10 5	11 2	2 732 420	1 41	532 800	19 5	3 542 640	3 389 800	1 41	96
Hominy Grits	85 081	75 277	0 03	88	0 7	0 8	58 100	0 03	11 740	20 2	84 490	74 680	0 03	88
Hot Cereals	426 521	381 552	0 15	89	3 6	3 9	291 240	0 15	58 830	20 2	411 700	367 230	0 15	89
Cereal Bars	452 244	433 844	0 17	96	16 3	16 7	331,240	0 17	71 200	21 5	388 860	371 760	0 15	96
Toaster Pastries	88 566	82 811	0 03	94	19 2	19 6	63 000	0 03	15 000	23 8	74 300	69 240	0 03	93

[13] Includes glass packs. Infant formulas also listed under HBA.

[14] Includes soya isolate formulas.

[15] Spending in all outlets includes restaurant and other on-premise.

CONSUMER EXPENDITURES STUDY

DRY GROCERY: FOOD

CONTINUED

(add 000 to all dollar figures)	1984										1983			
	Value[1] of Total Domestic Consumption	Amount Spent in Grocery Stores[2]	% of Total Store	% Gro[2] to Total	Percentage Change from 83 to 84 Total[1]	Percentage Change from 83 to 84 Grocery[2]	Amount Spent in Supermarkets	% of Total Supermarket	$ Margin	% Margin	Value[1] of Total Domestic Consumption	Amount Spent in Grocery Stores[2]	% of Total Store	% Gro[2] to Total
Candy & Chewing Gum	**8 688 788**	**2 985 967**	**1 18**	**34**	**8 6**	**8 6**	**2,046 950**	**1 06**	**683 700**	**33 4**	**7 998 170**	**2 748 610**	**1 14**	**34**
Bar Candy	3 244 231	1 034 369	0 41	32	10 6	8 8					2 934 050	950 390	0 39	32
Chocolate	*2 543 671*	*810 395*	*0 32*	*32*	*10 4*	*8 6*					*2 304 050*	*746 220*	*0 31*	*32*
Non-Chocolate	*700 560*	*223 974*	*0 09*	*32*	*11 2*	*9 7*					*630 000*	*204 170*	*0 08*	*32*
Packaged Chocolate	262 574	118 710	0 05	45	7 7	6 1					243 690	111 880	0 05	46
Chocolate Covered Creams	*130 112*	*59 847*	*0 02*	*46*	*7 7*	*6 3*					*120 810*	*56 300*	*0 02*	*47*
Chocolate Covered Fruits	*66 596*	*28 859*	*0 01*	*43*	*7 5*	*5 4*					*61 950*	*27 380*	*0 01*	*44*
Chocolate Covered Nuts	*65 865*	*30 005*	*0 01*	*46*	*8 1*	*6 4*					*60 930*	*28 200*	*0 01*	*46*
Packaged Candy Coverad Chocolate	325 315	178 183	0 07	55	9 6	7 8	1,531 530	0 79	493 150	32 2	296 820	165 290	0 07	56
Bulk Candy	644 782	374 527	0 15	58	11 2	17 3					579 390	319 290	0 13	55
Packaged Soft Candy	109 866	60 324	0 02	55	9 2	7 3					100 610	56 220	0 02	56
Packaged Hard Candy	321 995	185 556	0 07	58	7 5	7 6					299 530	172 450	0 07	58
Hard Roll Candy	139 866	68 837	0 03	49	4 3	4 6					134 100	65 810	0 03	49
Diet Candy Mints Gum	19 850	14 947	0 01	75	1 9	2 1					19 480	14 640	0 01	75
Breath Fresheners	191 584	93 083	0 04	49	4 4	4 8	60 500	0 03	21 840	36 1	183 510	88 820	0 04	48
Marshmallows	72 288	64 308	0 03	89	5 3	4 6	41 420	0 02	11 300	27 3	68 650	61 480	0 03	90
Chewing Gum	1 354 161	615 366	0 24	45	6 6	6 6	413 500	0 21	157 500	38 1	1 270 080	577 140	0 24	45
Regular Chewing Gum	*535 575*	*238 979*	*0 09*	*45*	*7 1*	*7 3*					*500 070*	*222 720*	*0 09*	*45*
Sugarless Chewing Gum	*397 154*	*178 064*	*0 07*	*45*	*7 4*	*7 8*					*369 790*	*165 180*	*0 07*	*45*
Bubble Gum	*421 432*	*198 324*	*0 08*	*47*	*5 3*	*4 8*					*400 220*	*189 240*	*0 08*	*47*
Other Candy	2 002 775	177 755	0 07	9	7 2	7 6					1 868 260	165 200	0 07	9
Canned Fish & Other Canned Seafood	**2 014 903**	**1 777 884**	**0 70**	**88**	**1 6**	**1 3**	**1,351,740**	**0 70**	**257 310**	**19 0**	**2 048 200**	**1 800 900**	**0 75**	**88**
Canned Salmon	331 501	243 876	0 10	74	4 7	4 4	187 700	0 09	49 180	26 2	347 850	255 100	0 11	73
Canned Sardines	91 893	86 480	0 03	94	1 9	3 1	66 950	0 03	19 680	29 4	90 180	83 880	0 03	93
Canned Tuna	1 511 956	1 386 163	0 55	92	1 3	1 1	1 058 370	0 56	177 800	16 8	1 531 870	1 401 580	0 58	91
Other Canned Fish & Seafood	79 553	61 366	0 02	77	1 6	1 7	387 200	0 02	10 650	27 5	78 300	60 340	0 03	77
Canned Fruits	**1 703 223**	**1 462 120**	**0 58**	**86**	**0 9**	**0 8**	**1,100,650**	**0 57**	**254 180**	**23 1**	**1 719 480**	**1 474 540**	**0 61**	**86**
Applesauce	229 539	200 844	0 08	87	0 6	0 8	148 460	0 07	37 700	25 4	228 170	199 250	0 08	87
Apricots	29 320	26 296	0 01	90	1 0	1 1	19 150	0 01	4 670	24 4	29 030	26 010	0 01	90
Citrus[16]	56 762	49 954	0 02	88	2 1	1 9	38 000	0 02	10 000	26 4	57 980	50 920	0 02	88
Fruit Cocktail	248 750	212 639	0 08	85	1 2	1 3	148 540	0 07	30 450	20 5	245 800	209 410	0 09	85
Peaches	308 066	263 913	0 10	86	4 6	4 4	174 050	0 09	39 330	22 6	322 920	276 060	0 11	85
Pears	158 119	133 901	0 05	85	1 6	1 5	105 490	0 05	23 630	22 4	160 690	135 940	0 06	85
Pineapple	240 995	205 475	0 08	85	7 9	6 8	200 000	0 10	45 400	22 7	223 350	192 580	0 08	86
Other Canned Fruit	431 672	368 889	0 15	85	4 4	3 9	266 960	0 13	63 000	23 6	451 540	383 870	0 16	85
Canned & Bottled Juices & Drinks[17]	**3 237 108**	**2 821 425**	**1 11**	**87**	**5 5**	**5 8**	**2 124 150**	**1 10**	**463 180**	**21 8**	**3 069 610**	**2 666 720**	**1 11**	**87**
Apple Juice & Cider	713 093	649 560	0 26	91	7 4	7 7	541 480	0 28	120 200	22 2	663 960	603 120	0 25	91
Cranberry Juice	313 980	292 910	0 12	93	5 2	5 5	272 200	0 14	56 600	20 8	298 460	277 640	0 12	93
Grape Juice	142 145	131 292	0 05	92	6 9	7 3	104 135	0 05	23 120	22 2	132 970	122 360	0 05	92
Grapefruit Juice	161 261	133 669	0 05	83	1 8	2 1	104 350	0 05	22 120	21 2	158 410	130 920	0 05	83
Nectars	64 525	60 024	0 02	93	8 1	8 7	45 060	0 02	12 700	28 2	59 690	55 220	0 02	93
Orange Juice	131 287	102 272	0 04	78	5 8	6 4	76 770	0 04	18 420	24 0	124 090	96 120	0 04	77
Pineapple Juice	106 334	98 966	0 04	93	2 5	2 8	74 280	0 04	15 520	20 9	103 740	96 270	0 04	93
Prune Juice	133 807	114 432	0 05	86	1 3	1 6	83 790	0 04	18 270	21 8	132 090	112 630	0 05	85
Other Canned Juices	28 971	22 919	0 01	79	2 3	2 5	17 200	0 01	4 130	24 0	28 320	22 360	0 01	79
Vegetable Juices[18]	288 569	246 085	0 10	85	0 9	0 6	197 775	0 10	39 750	20 1	291 190	247 570	0 10	85
Fruit Drinks	1 153 135	969 296	0 38	84	7 1	7 4	607 110	0 31	132 350	21 8	1 076 690	902 510	0 37	84
Canned Meat & Specialty Foods	**2,072,909**	**1 555 882**	**0 61**	**75**	**2 3**	**2 2**	**1,081,400**	**0 56**	**226 840**	**21 0**	**2 122 000**	**1 590 940**	**0 66**	**75**
Beef Hash	94 896	74 294	0 03	78	1 7	1 8	54 160	0 03	12 240	22 6	93 310	72 980	0 03	78
Corned Beef	82 830	75 005	0 03	91	0 6	0 8	54 680	0 03	13 120	24 0	83 330	75 610	0 03	91
Lunch Meat	192 765	165 351	0 07	86	4 6	4 2	120 530	0 06	17 470	14 5	202 060	172 600	0 07	85
Meat Spreads	91 103	83 480	0 03	92	0 6	0 7	61 460	0 03	14 130	23 0	90 560	82 900	0 03	92
Poultry	106 369	97 000	0 04	91	0 9	1 2	70 000	0 04	16 380	23 4	105 420	95 850	0 04	91
Sausages & Frankfurters	164 207	144 617	0 06	88	1 2	1 4	105 400	0 05	25 500	24 2	162 260	142 620	0 06	88
Other Canned Meats	1 340 738	916 135	0 36	68	3 2	3 4	615,170	0 32	128 000	20 8	1 385 060	948 380	0 39	68
Canned Milk	**465,425**	**405,748**	**0 16**	**87**	**3 0**	**2 7**	**309,000**	**0 16**	**38,630**	**12 5**	**479,840**	**416,900**	**0 17**	**87**
Condensed Milk	26 465	16 606	0 01	63	4 7	4 4					27 770	17 370	0 01	63
Evaporated Milk	438 960	389 142	0 15	89	2 9	2 6					452 070	399 530	0 17	88
Canned Prepared Food	**1,498,521**	**1 377 465**	**0 54**	**92**	**4 7**	**5 2**	**1,004,150**	**0 52**	**235,240**	**23 4**	**1,430,760**	**1,309,460**	**0 54**	**92**
Chili	284 998	246 669	0 10	87	1 6	1 9	180,240	0 09	38 750	21 5	280,510	242 070	0 10	86
Meat Stew	154 330	135 236	0 05	88	3 1	3 9	92,590	0 05	19 440	21 0	149 690	130 160	0 05	87
Mexican Food	421 547	392 790	0 15	93	5 4	5 6	290 790	0 15	75 000	25 8	399 950	371 960	0 15	93
Oriental Food	214 799	204 202	0 08	95	6 1	6 7	149,130	0 08	40 860	27 4	202 450	191 380	0 08	95
Pasta	422 846	398 567	0 16	94	6 2	6 6	291,400	0 15	61,190	21 0	398 160	373 890	0 16	94
Canned & Dry Soups	**2 009 304**	**1,874,607**	**0 74**	**93**	**8 2**	**8 7**	**1,409,660**	**0 73**	**293,860**	**20 8**	**1,856,700**	**1,724,160**	**0 72**	**93**
Canned Soups[19]	1 648 563	1 542 734	0 61	94	7 8	8 3	1 143 950	0 59	231 000	20 2	1 529 190	1 424 020	0 59	93
Condensed Soups	*1 115,705*	*1 043 937*	*0 41*	*94*	*4 6*	*5 1*					*1 066 640*	*993 280*		
Single Strength Soups	*532 858*	*498 797*	*0 20*	*94*	*15 2*	*15 8*					*462 550*	*430 740*	*0 18*	*93*
Dry Soup Mixes	297 513	272 706	0 11	92	12 1	12 6	221 810	0 11	50 130	22 6	265 400	242 190	0 10	91
Instant Bouillon & Cubes	63 228	59 167	0 02	94	1 8	2 1	43 900	0 02	12 730	29 0	62 110	57 950	0 02	93

[16] Canned or chilled citrus sections.

[17] Full strength and concentrated juices in can. Non-carbonated. Includes aseptic pack juices and drinks.

[18] Chiefly tomato juice.

[19] Excludes frozen soups.

DRY GROCERY: FOOD

CONTINUED

(add 000 to all dollar figures)	1984										1983			
	Value[1] of Total Domestic Consumption	Amount Spent in Grocery Stores[2]	% of Total Store	% Gro[2] to Total	Percentage Change from '83 to '84 Total[1]	Percentage Change from '83 to '84 Grocery[2]	Amount Spent in Supermarkets	% of Total Supermarket	$ Margin	% Margin	Value[1] of Total Domestic Consumption	Amount Spent in Grocery Stores[2]	% of Total Store	% Gro to Total
Canned Vegetables	**3,310,961**	**2,816,824**	**1.15**	**86**	**0.6**	**0.3**	**2,182,770**	**1.12**	**450,640**	**21.2**	**3,327,470**	**2,824,530**	**1.21**	**84**
Asparagus	91,714	80,432	0.03	88	6.2	7.3	61,410	0.03	14,740	24.0	86,380	74,960	0.03	87
Beans (Wax or Green)	372,941	330,138	0.13	89	2.4	2.7	243,850	0.13	58,520	24.0	364,200	321,460	0.13	88
Beans with Pork or Sauce[20]	429,878	392,112	0.15	91	0.7	0.8	289,650	0.15	57,930	20.0	426,890	389,000	0.16	91
Beets	74,983	66,852	0.03	89	1.7	1.8	49,370	0.03	11,750	23.8	73,730	65,670	0.03	89
Corn	595,143	527,345	0.21	89	1.9	1.6	389,540	0.20	76,740	19.7	606,670	535,920	0.22	88
Mushrooms	247,433	221,752	0.09	90	0.9	-0.8	163,800	0.08	38,500	23.5	249,680	223,540	0.09	90
Peas	335,219	297,459	0.12	89	2.2	-2.1	200,000	0.10	42,800	21.4	342,760	303,840	0.13	89
Sauerkraut	71,872	65,058	0.03	91	1.3	1.4	48,050	0.02	11,770	24.5	70,950	64,160	0.03	90
Tomatoes	388,355	332,533	0.13	86	1.1	1.2	272,430	0.14	63,200	23.2	384,130	328,590	0.14	86
Tomato Sauce	395,795	339,790	0.13	86	0.9	-0.8	251,000	0.13	46,180	18.4	399,390	342,530	0.14	86
Tomato Paste	201,820	173,148	0.07	86	6.5	-6.3	127,950	0.07	24,050	18.8	215,850	184,790	0.08	86
Tomato Puree	59,649	50,748	0.02	85	2.9	-2.8	37,490	0.02	6,970	18.6	61,430	52,210	0.02	85
Other Canned Vegetables	46,157	38,655	0.02	84	1.6	2.1	28,230	0.01	6,490	23.0	45,430	37,860	0.02	83
Condiments, Dressings, Spreads, Relishes	**6,466,295**	**5,176,751**	**2.04**	**80**	**5.2**	**5.6**	**3,804,200**	**1.97**	**892,840**	**23.5**	**6,148,510**	**4,900,050**	**2.03**	**80**
Condiments	2,028,725	1,606,863	0.63	79	1.7	2.1	1,172,380	0.61	323,810	27.6	1,995,080	1,573,960	0.65	79
Barbeque Sauce	303,612	267,668	0.11	88	7.2	7.9	196,520	0.10	43,230	22.0	283,220	248,070	0.10	88
Condiment Sauces[21]	106,972	83,582	0.03	78	8.8	9.4	61,020	0.03	14,220	23.3	98,320	76,400	0.03	78
Flavor Enhancers	22,905	20,460	0.01	89	3.5	3.7	14,940	0.01	3,880	26.0	22,130	19,730	0.01	89
Ketchup	574,014	451,624	0.18	79	0.7	0.6	325,600	0.17	54,050	16.6	578,060	454,350	0.19	79
Meat Tenderizers	35,939	29,311	0.01	82	3.9	4.2	21,400	0.01	5,930	27.7	34,590	28,130	0.01	81
Onion Flakes	41,347	35,713	0.01	86	0.7	0.8	26,070	0.01	10,300	39.5	41,060	35,430	0.01	86
Pepper	154,881	110,457	0.04	71	0.5	0.8	80,630	0.04	30,000	37.2	154,110	109,580	0.05	71
Prepared Mustard	153,157	117,855	0.05	77	2.2	3.4	96,820	0.05	22,270	23.0	149,860	113,980	0.05	76
Salt	139,340	114,161	0.04	82	2.6	2.8	84,340	0.04	20,660	24.5	143,060	117,450	0.05	82
Spices	496,558	376,037	0.15	76	1.2	1.4	265,040	0.14	119,270	45.0	490,670	370,840	0.15	76
Dressings, Spreads	2,174,736	1,817,839	0.72	84	7.4	7.7	1,366,370	0.71	256,950	18.8	2,024,160	1,688,310	0.70	83
Pourable Salad Dressings	781,103	679,999	0.27	87	6.8	7.1	498,950	0.26	131,720	26.4	731,370	634,920	0.26	87
Spoonable Salad Dressings	426,453	375,497	0.15	88	7.9	8.2	297,290	0.15	40,130	13.5	395,230	347,040	0.14	88
Mayonnaise	786,929	630,287	0.25	80	8.3	8.5	462,500	0.24	57,800	12.5	726,620	580,910	0.24	80
Sandwich Spreads	49,374	43,683	0.02	88	1.3	1.4	32,050	0.02	7,500	23.4	48,740	43,080	0.02	88
Vinegar	130,876	88,372	0.03	68	7.1	7.3	75,500	0.04	19,800	26.2	122,200	82,360	0.03	67
Relishes & Appetizers	1,149,260	773,804	0.31	67	1.4	1.6	588,100	0.30	177,280	30.1	1,132,900	763,190	0.32	67
Bottled Green Olives	153,844	128,122	0.05	83	2.1	1.7	104,180	0.05	37,000	35.5	150,680	125,980	0.05	84
Canned Ripe Olives	153,652	135,267	0.05	88	1.1	0.9	109,390	0.05	36,540	33.4	151,980	134,060	0.06	88
Pickled Cucumbers, Tomatoes, Peppers	737,804	422,595	0.17	57	1.5	1.6	310,080	0.16	87,440	28.2	726,900	415,940	0.17	57
Relishes & Mixed Pickles	103,960	87,820	0.03	84	0.6	0.7	64,450	0.03	16,300	25.3	103,340	87,210	0.04	84
Spaghetti Sauces	1,113,486	978,245	0.39	88	12.1	11.9	677,350	0.35	134,800	19.9	993,370	874,590	0.36	88
Meatless	962,166	858,825	0.34	89	12.1	11.8					858,310	768,180	0.32	89
With Meat	139,861	110,329	0.04	79	12.9	13.1					123,880	97,550	0.04	79
With Clams	11,460	9,090	.00	79	2.5	2.6					11,180	8,860	.00	79
Desserts	**632,244**	**558,291**	**0.22**	**88**	**5.8**	**5.4**	**424,830**	**0.22**	**97,580**	**23.0**	**601,970**	**526,630**	**0.22**	**88**
Packaged Gelatin[22]	235,162	215,488	0.08	92	13.2	13.6	167,010	0.09	35,070	21.0	207,740	189,690	0.08	91
Prepared Puddings[23]	286,630	243,563	0.10	85	0.8	0.9	184,750	0.10	42,120	22.8	284,430	241,460	0.10	85
Instant Pudding	*99,846*	*83,510*	*0.03*	*84*	*1.1*	*1.2*					98,760	*82,520*	*0.03*	84
Other Prepared Puddings	*186,784*	*160,053*	*0.06*	*86*	*0.6*	*0.7*					185,670	*158,940*	*0.07*	86
Dried Toppings	18,076	17,202	0.01	95	17.8	17.3	13,070	0.01	3,690	28.2	21,990	20,800	0.01	95
Ice Cream & Dessert Toppings	92,176	78,998	0.03	86	5.2	5.5	60,000	0.03	16,620	27.7	87,810	74,880	0.03	85
Dried Foods	**2,865,562**	**2,268,756**	**0.89**	**79**	**0.5**	**2.0**	**1,600,000**	**0.87**	**443,980**	**26.4**	**2,880,860**	**2,224,980**	**0.92**	**78**
Dried Vegetables & Fruits	1,791,092	1,312,184	0.52	73	1.5	0.2	946,030	0.49	252,200	26.7	1,817,710	1,315,320	0.55	72
Dried Beans & Peas	450,309	228,590	0.09	51	6.6	-6.4	132,200	0.07	38,340	29.0	482,130	244,220	0.10	51
Fruits	579,665	435,778	0.17	75	2.5	-1.4	313,370	0.16	91,500	29.2	594,640	441,980	0.18	74
Apricots	*27,303*	*19,049*	*0.01*	*70*	*10.6*	*-10.4*					30,540	*21,260*	*0.01*	70
Dates	*38,923*	*31,082*	*0.01*	*80*	*4.9*	*6.7*					*37,010*	*29,130*	*0.01*	79
Figs	*8,683*	*6,185*	*.00*	*71*	*6.8*	*7.2*					*8,130*	*5,770*	*.00*	71
Raisins	*373,476*	*280,239*	*0.11*	*75*	*-4.2*	*-2.6*					389,850	*287,720*	*0.12*	74
Prunes	*103,856*	*80,057*	*0.03*	*77*	*1.8*	*1.3*					*102,020*	*79,030*	*0.03*	77
Other Dried Fruits	*27,523*	*19,165*	*0.01*	*70*	*1.6*	*0.5*					*27,090*	*19,070*	*0.01*	*70*
Instant Mashed Potatoes	141,058	132,410	0.05	94	1.7	2.2	97,040	0.05	26,600	27.4	138,700	129,560	0.05	93
Other Instant Potatoes	50,710	46,548	0.02	92	1.4	1.9	34,120	0.02	10,060	29.5	50,010	45,680	0.02	91
Rice	569,349	468,858	0.18	82	3.1	3.3	369,300	0.19	85,700	23.2	552,230	453,880	0.19	82
Other Dried Foods	1,074,471	956,570	0.38	89	4.0	5.2	733,970	0.38	191,790	26.1	1,032,950	909,660	0.38	88
Cured Fish	197,673	126,404	0.05	64	0.5	0.6	96,650	0.05	27,450	28.4	196,690	125,650	0.05	64
Dry Gravy Mixes	64,253	61,207	0.02	95	3.1	3.9	44,860	0.02	15,030	33.5	62,200	58,910	0.02	95
Dry Dinner Mixes	563,462	541,706	0.21	96	6.4	7.8	400,550	0.21	98,130	24.5	529,570	502,510	0.21	95
Breading Mixes	100,369	84,204	0.03	84	2.9	2.6	61,710	0.03	16,880	27.2	97,540	82,070	0.03	84
Dry Stuffing Mixes	148,713	143,049	0.06	96	1.2	1.8	130,200	0.07	34,370	26.4	146,950	140,520	0.06	96

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[20] Includes baked beans.

[21] Excludes chili, seafood, cocktail and spaghetti sauces.

[22] Both flavored and unflavored.

[23] Includes corn starch puddings, tapioca, rennet.

DRY GROCERY: FOOD

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(add 000 to all dollar figures)	1984										1983			
					Percentage Change from '83 to '84									
	Value[1] of Total Domestic Consumption	Amount Spent in Grocery Stores[2]	% of Total Store	% Gro[2] to Total	Total[1]	Grocery[2]	Amount Spent in Supermarkets	% of Total Supermarket	$ Margin	% Margin	Value[1] of Total Domestic Consumption	Amount Spent in Grocery Stores[2]	% of Total Store	% Gro[2] to Total
Fats & Shortenings[24]	1,991,752	1,603,593	0.63	81	5.5	6.0	1,216,551	0.63	208,260	17.1	1,888,630	1,512,780	0.63	80
Cooking & Salad Oils	1,228,351	996,068	0.39	81	8.1	8.3	776,010	0.40	143,560	18.5	1,136,310	919,730	0.38	81
Lard	150,511	64,831	0.03	43	-4.2	-4.8	47,121	0.02	15,080	32.0	157,110	68,100	0.03	43
Olive Oil	76,868	71,862	0.03	93	7.9	8.8	52,220	0.03	11,750	22.5	71,240	66,050	0.03	93
Shortening[25]	536,021	470,831	0.19	88	2.3	2.6	341,200	0.18	37,870	11.1	523,970	458,900	0.19	88
Jams, Jellies, Preserves	2,276,075	1,830,517	0.72	80	-2.3	-2.1	1,255,230	0.65	295,290	23.5	2,329,880	1,869,200	0.78	80
Citrus Marmalade	13,181	11,111	.00	84	1.0	1.1	586,160	0.30	53,600	26.2	13,050	10,990	.00	84
Fruit Butter	6,754	5,764	.00	85	0.5	0.6					6,720	5,730	.00	85
Jams, Preserves	703,957	599,376	0.24	85	-0.9	-0.8					710,350	604,210	0.25	85
Jellies	281,332	238,929	0.09	85	-0.6	-0.5					283,030	240,130	0.10	85
Honey	208,443	146,823	0.06	70	-9.1	-8.8	105,270	0.05	27,790	26.4	229,310	160,990	0.07	70
Peanut Butter	1,062,409	828,513	0.33	78	-2.3	-2.2	563,800	0.29	113,900	20.2	1,087,420	847,150	0.35	78
Pasta	1,172,470	869,219	0.34	74	3.9	2.3	637,240	0.33	166,950	26.2	1,128,220	849,340	0.35	75
Macaroni	388,077	270,082	0.11	70	3.8	2.3					373,870	264,010	0.11	71
Noodles	281,874	201,650	0.08	72	2.9	1.5					273,930	198,670	0.08	73
Spaghetti	502,519	397,486	0.16	79	4.6	2.8					480,420	386,660	0.16	80
Prepared Drinks	9,369,854	7,458,829	2.94	80	2.5	2.3	5,426,250	2.81	846,250	15.6	9,139,530	7,294,410	3.03	80
Cocoa	324,254	286,759	0.11	88	2.9	3.2	206,500	0.10	50,590	24.5	315,150	277,860	0.12	88
Unsweetened Cocoa	33,480	24,436	0.01	73	-2.9	-2.8					34,480	25,140	0.01	73
Prepared Sweet Cocoa	290,774	262,323	0.10	90	3.6	3.8					280,670	252,720	0.10	90
Coffee	6,499,449	4,848,707	1.91	75	2.8	2.3	3,531,520	1.83	374,760	10.6	6,322,560	4,738,660	1.97	75
Regular Coffee	4,853,173	3,306,369	1.30	68	5.7	5.9	2,412,930	1.25	246,120	10.2	4,591,460	3,124,050	1.30	68
Instant Coffee	1,646,276	1,540,338	0.61	94	-4.9	-4.6	1,118,590	0.58	128,640	11.5	1,731,100	1,614,610	0.67	93
Powdered Drink Mixes[26]	845,180	793,999	0.31	94	4.7	4.9	572,000	0.30	160,160	28.0	807,240	756,910	0.31	94
Dry Milk Powder[27]	152,556	142,438	0.06	93	-8.9	-8.4	103,040	0.05	17,520	17.0	167,460	155,500	0.06	93
Prepared Food Drinks[28]	134,982	126,911	0.05	94	-7.9	-7.6	83,900	0.04	23,100	27.5	146,560	137,350	0.06	94
Tea	1,047,179	923,539	0.36	88	4.1	4.5	686,990	0.36	165,980	24.2	1,005,470	884,040	0.37	88
Bags & Loose Tea	442,290	396,565	0.16	90	0.5	0.6	307,120	0.16	68,180	22.2	440,090	394,200	0.16	90
Herb Tea	132,531	93,322	0.04	70	0.7	0.9	68,980	0.04	14,760	21.4	131,610	92,490	0.04	70
Ice Tea Mixes	336,476	308,937	0.12	92	15.2	15.4	218,970	0.11	58,680	26.8	292,080	267,710	0.11	92
Instant Tea	135,881	124,714	0.05	92	-4.1	-3.8	91,920	0.05	24,350	26.5	141,690	129,640	0.05	91
Breakfast Drinks	134,982	127,049	0.05	94	-7.9	-7.5	91,480	0.05	20,670	22.6	146,560	137,350	0.06	94
Coffee Creamers	231,272	209,428	0.08	91	1.2	1.3	150,820	0.08	33,480	22.2	228,530	206,740	0.09	90
Snacks	6,696,354	4,175,104	1.65	62	5.9	8.1	2,742,100	1.42	819,890	29.9	6,321,500	3,862,540	1.60	61
Corn Chips	1,012,356	752,101	0.30	74	8.3	9.5	524,730	0.27	152,170	29.0	934,770	686,850	0.28	73
Packaged Unpopped Popcorn	334,195	284,239	0.11	85	39.3	34.8	146,850	0.08	46,700	31.8	280,210	205,870	0.09	73
Popped Popcorn	299,264	219,663	0.09	73	6.8	6.7	120,190	0.06	37,740	31.4				
Pork Rinds	205,394	180,322	0.07	88	2.4	3.1	116,180	0.06	35,320	30.4	200,580	174,900	0.07	87
Potato Chips	2,928,994	1,654,444	0.65	56	4.3	7.7	1,096,000	0.57	323,320	29.5	2,808,240	1,536,160	0.64	55
Pretzels	279,595	250,259	0.10	90	2.8	3.4	200,760	0.10	63,440	31.6	271,980	242,030	0.10	89
Snack Nuts[29]	1,636,556	834,075	0.33	51	3.2	3.5	537,390	0.28	161,200	30.0	1,585,810	805,870	0.33	51
Soft Drinks	11,312,879	6,491,562	2.56	57	3.1	3.7	4,982,000	2.58	1,263,990	25.4	10,969,910	6,257,290	2.60	57
Bottled Soft Drinks	9,532,679	4,805,803	1.89	50	2.7	3.1	4,783,400	2.48	1,205,400	25.2	9,282,960	4,663,330	1.93	50
Dietetic	698,938	552,397	0.22	79	6.5	6.7					656,280	517,710	0.21	79
Other	8,833,741	4,253,406	1.68	48	2.4	2.6					8,626,700	4,145,620	1.72	48
Canned Soft Drinks	1,563,747	1,476,227	0.58	94	3.6	3.7					1,510,090	1,423,470	0.59	94
Dietetic	582,107	531,946	0.21	91	6.1	6.3					548,640	500,420	0.21	91
Other	981,640	944,280	0.37	96	2.1	2.3					961,450	923,050	0.38	96
Bottled Water	216,452	209,532	0.08	97	22.4	22.9	198,600	0.10	58,590	29.5	176,840	170,490	0.07	96
Sweeteners, Flavors	2,745,592	2,251,955	0.89	82	-1.0	-0.8	1,680,000	0.87	253,710	15.1	2,774,690	2,269,990	0.94	82
Flavoring Extracts	144,720	96,904	0.04	67	-3.4	-3.2	70,910	0.04	24,640	34.7	149,750	100,130	0.04	67
Vanilla Extract	86,423	59,190	0.02	68	-3.6	-3.3	43,300	0.02	14,290	33.0	89,650	61,210	0.03	68
Other Flavoring Extracts	58,297	37,713	0.01	65	-3.0	-3.1	27,610	0.01	10,350	37.5	60,100	38,920	0.02	65
Marshmallow Cream	11,597	10,383	.00	90	4.1	2.8	7,420	.00	1,930	26.0	11,140	10,100	.00	91
Packaged Molasses	21,925	18,867	0.01	86	-2.9	-2.8	13,850	0.01	3,480	25.1	22,580	19,410	0.01	86
Sugar	1,908,108	1,609,408	0.63	84	-3.8	-3.6	1,185,930	0.61	128,080	10.8	1,983,480	1,669,510	0.69	84
Synthetic Sweeteners	258,145	217,069	0.09	84	19.7	21.2	162,430	0.08	42,900	26.4	215,660	179,100	0.07	83
Table Syrup	401,098	299,325	0.12	75	2.3	2.6	239,460	0.12	52,680	22.0	392,080	291,740	0.12	74
All Other Dry Grocery[30]	367,773	346,179	—	—	—	—	—	—	—	—	242,166	235,771	0.34	85
Duplication[31]	1,066,923	905,486	0.36	85	8.8	9.2	—	—	—	—	980,810	829,480	—	—
Total Dry Grocery—Food	116,533,983	72,021,165	28.39	62	3.7	4.0	51,810,071	26.83	11,489,060	22.2	112,403,448	69,230,471	28.72	62
Total Foods[32]	302,043,561	193,787,740	76.38	64	3.8	4.2	149,006,516	77.16	38,013,580	25.5	291,006,816	185,863,351	77.13	64

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24 Margarine included with dairy.

25 Vegetable shortening and shortening compounds.

26 Excludes "Breakfast Drinks" listed separately.

27 Nonfat dry milk solids in household size packages.

28 Includes chocolate syrup drinks, malted milk items and other items, but excludes chocolate syrup.

29 Includes bulk nuts.

30 Includes new products and products not classified elsewhere.

31 Infant formulas also listed under HBA.

32 Edibles for human consumption. Excludes pet foods.

— Not available

CONSUMER EXPENDITURES STUDY

DRY GROCERY: NONFOOD

(add 000 to all dollar figures)	1984										1983			
	Value[1] of Total Domestic Consumption	Amount Spent in Grocery Stores[2]	% of Total Store	% Gro[2] to Total	Percentage Change from '83 to '84		Amount Spent in Supermarkets	% of Total Supermarket	$ Margin	% Margin	Value[1] of Total Domestic Consumption	Amount Spent in Grocery Stores[2]	% of Total Store	% Gro[2] to Total
					Total[1]	Grocery[2]								
DRY GROCERY (NON-FOOD) Household Supplies	**12,987,573**	**9,802,780**	**3.86**	**75**	**3.1**	**3.5**	**7,048,470**	**3.65**	**1,603,620**	**22.8**	**12,591,490**	**9,468,610**	**3.93**	**73**
Home Canning Supplies	**115,027**	**93,241**	**0.04**	**81**	**9.8**	**8.6**	**77,240**	**0.04**	**27,030**	**35.0**	**104,800**	**85,890**	**0.04**	**82**
Caps, Lids, Bands	61,995	53,557	0.02	86	9.3	8.9					56,720	49,180	0.02	87
Jars	53,032	39,684	0.02	75	10.3	8.1					48,080	36,710	0.02	76
Bleaches	308,413	286,732	0.11	93	2.0	2.2	204,680	0.11	32,750	16.0	302,480	280,670	0.12	93
Liquid Bleach	*260,895*	*243,641*	*0.10*	*93*	*1.9*	*2.1*					*256,030*	*238,630*	*0.10*	*93*
Dry Bleach	*47,518*	*43,091*	*0.02*	*91*	*2.3*	*2.5*					*46,450*	*42,040*	*0.02*	*91*
Bluing	4,761	3,989	.00	84	2.6	2.8	2,750	0.00	730	26.5	4,640	3,880	.00	84
Fabric Softeners	602,175	555,174	0.22	92	6.2	6.4	413,590	0.21	93,060	22.5	567,020	521,780	0.22	92
Laundry Starch	85,827	77,712	0.03	91	5.5	5.7	54,850	0.03	15,360	28.0	81,320	73,550	0.03	90
Dry Starch	*3,255*	*2,904*	*.00*	*89*	*14.8*	*14.6*					*3,820*	*3,400*	*.00*	*89*
Liquid Starch	*14,103*	*13,121*	*0.01*	*93*	*5.8*	*5.9*					*13,330*	*12,390*	*0.01*	*93*
Spray Starch	*68,469*	*61,688*	*0.02*	*90*	*6.7*	*6.8*					*64,170*	*57,760*	*.02*	*90*
Soaps & Detergents	**5,709,548**	**5,175,584**	**2.04**	**91**	**0.1**	**2.2**	**3,862,100**	**2.00**	**704,230**	**18.2**	**5,702,800**	**5,063,300**	**2.10**	**88**
Cleansers (Scouring)	312,878	244,778	0.10	78	2.6	2.3	178,630	0.09	34,830	19.5	321,230	250,540	0.10	78
Laundry Bar Soap	5,177	4,100	.00	79	3.6	3.3	3,070	0.00	740	24.0	5,370	4,240	.00	79
Soap Flakes, Chips, Powders	44,563	42,013	0.02	94	5.5	5.8	30,660	0.02	5,060	16.5	42,240	39,710	0.02	94
Liquid Detergents	1,659,782	1,551,132	0.61	93	0.3	0.1	1,172,030	0.61	225,840	19.3	1,664,400	1,552,110	0.64	93
Heavy Duty	*531,064*	*493,119*	*0.19*	*93*	*4.8*	*5.1*	*399,870*	*0.21*	*66,000*	*16.5*	*506,740*	*469,190*	*0.19*	*93*
Other Liquid Detergents[33]	*1,128,719*	*1,058,013*	*0.42*	*94*	*2.5*	*2.3*	*772,160*	*0.40*	*159,840*	*20.7*	*1,157,660*	*1,082,920*	*0.45*	*94*
Other Detergents	2,402,215	2,278,870	0.90	95	1.7	2.0	1,707,610	0.88	275,960	16.2	2,360,940	2,234,770	0.93	95
Dishwasher Compounds	*424,392*	*373,705*	*0.15*	*88*	*2.3*	*2.5*	*292,730*	*0.15*	*60,900*	*20.8*	*414,850*	*364,590*	*0.15*	*88*
Other Dry Low Sudsing	*862,786*	*814,748*	*0.32*	*94*	*1.8*	*2.1*	*1,414,880*	*0.73*	*215,060*	*15.2*	*847,530*	*797,990*	*0.33*	*94*
Other Dry Detergents	*1,115,038*	*1,090,417*	*0.43*	*98*	*1.5*	*1.7*					*1,098,560*	*1,072,190*	*0.44*	*98*
Toilet Soaps & Detergents	1,284,932	1,054,692	0.42	82	7.6	7.4	718,820	0.37	149,500	20.8	1,194,590	981,930	0.41	82
Bath Detergents	*149,619*	*115,140*	*0.05*	*77*	*7.4*	*7.9*					*139,310*	*106,710*	*0.04*	*77*
Bath Soaps	*310,571*	*242,739*	*0.10*	*78*	*6.2*	*6.6*					*292,440*	*227,710*	*0.09*	*78*
Deodorant Soaps & Bars	*523,857*	*513,409*	*0.20*	*98*	*4.3*	*4.5*					*502,260*	*491,300*	*0.20*	*98*
Liquid Soaps	*177,619*	*113,128*	*0.04*	*64*	*21.2*	*23.8*					*146,550*	*91,380*	*0.04*	*62*
Water Softener Salt	123,266	70,276	0.03	57	8.1	8.4	51,280	0.03	12,300	24.0	114,030	64,830	0.03	57
Other Cleaners, Cleansers & Supplies	**2,829,663**	**1,802,520**	**0.71**	**64**	**5.3**	**5.0**	**1,293,850**	**0.67**	**359,530**	**27.8**	**2,687,740**	**1,717,400**	**0.71**	**64**
All-Purpose Cleaners (Liquid)	632,653	545,899	0.22	86	5.3	5.6	387,680	0.20	89,940	23.2	600,810	516,950	0.21	86
Cellulose Sponges	113,126	84,644	0.03	75	9.3	9.5	60,140	0.03	24,180	40.2	103,500	77,300	0.03	75
Drain Pipe Solvents	27,904	25,823	0.01	93	5.1	5.4	20,340	0.01	5,570	27.4	26,550	24,500	0.01	92
Household Ammonia	48,487	33,603	0.01	69	0.6	0.7	23,870	0.01	6,090	25.5	48,780	33,840	0.01	69
Household Brooms	148,112	98,545	0.04	67	1.6	5.3	78,580	0.04	31,800	40.5	145,780	104,060	0.04	71
Spot Cleaning Fluids	37,046	15,768	0.01	43	3.8	3.6	11,200	0.01	3,630	32.4	35,690	15,220	0.01	43
Household Disinfectants	252,129	189,912	0.07	75	5.3	5.1	134,940	0.07	35,350	26.2	239,420	180,700	0.07	75
Aerosol Disinfectants	*200,101*	*147,546*	*0.06*	*74*	*5.6*	*5.3*					*189,490*	*140,120*	*0.06*	*74*
Non-Aerosol Disinfectants	*52,027*	*42,366*	*0.02*	*81*	*4.2*	*4.4*					*49,930*	*40,580*	*0.02*	*81*
Household Deodorizers	296,894	167,459	0.07	56	5.1	5.4	118,960	0.06	32,600	27.4	282,430	158,860	0.07	56
Aerosol Room Deodorizers	*84,733*	*61,010*	*0.02*	*72*	*3.7*	*3.9*					*81,710*	*58,720*	*0.02*	*72*
Non Aerosol Room Deodorizers	*212,161*	*106,449*	*0.04*	*50*	*5.7*	*6.3*					*200,720*	*100,140*	*0.04*	*50*
Rug Cleaners	73,002	52,861	0.02	72	7.8	8.1	37,550	0.02	10,700	28.5	67,720	48,900	0.02	72
Oven Cleaners	74,327	69,856	0.03	94	4.1	4.2	49,630	0.03	12,650	25.5	71,400	67,040	0.03	94
Steel Wool & Wire Sponges[34]	116,204	106,512	0.04	92	3.1	3.4	75,680	0.04	21,570	28.5	112,710	103,010	0.04	91
Toilet Bowl Cleaners	102,106	86,960	0.03	85	7.9	8.2	61,780	0.03	17,920	29.0	94,530	80,370	0.03	85
Vacuum Cleaner Bags	687,337	156,988	0.06	23	6.1	6.7	111,530	0.06	35,590	35.5	647,820	147,130	0.06	23
Wall & Floor Cleaners[35]	49,969	44,163	0.02	88	2.5	2.3	31,380	0.02	8,850	28.2	48,750	43,170	0.02	89
Window Cleaners	76,715	67,383	0.03	88	10.7	10.5	47,870	0.03	12,200	25.5	69,300	60,980	0.03	88
All Other Cleaners[36]	93,652	56,145	0.02	60	1.3	1.4	42,720	0.02	10,890	25.5	92,450	55,370	0.02	60
Paper, Plastic, Foil Products	**10,875,174**	**8,590,477**	**3.39**	**85**	**6.7**	**6.5**	**6,488,300**	**3.36**	**1,221,890**	**18.8**	**9,440,790**	**8,067,670**	**3.35**	**85**
Cleansing & Facial Tissues	814,968	724,118	0.29	89	8.0	8.8	588,620	0.30	108,900	18.5	754,600	665,550	0.28	88
Coffee Filters	72,848	68,058	0.03	93	6.8	7.5	50,560	0.03	13,150	26.0	68,210	63,310	0.03	93
Disposable Diapers	2,663,803	1,932,581	0.76	73	11.6	9.9	1,423,700	0.74	149,500	10.5	2,386,920	1,758,490	0.73	74
Freezer Paper	18,400	15,322	0.01	83	1.1	1.4	11,340	0.01	3,630	32.0	18,200	15,110	0.01	83
Paper Cups[37]	349,483	276,009	0.11	79	2.2	2.4	234,250	0.12	71,200	30.4	341,960	269,540	0.11	79
Paper Napkins	395,759	375,851	0.15	95	2.2	2.7	300,320	0.16	67,270	22.4	387,240	365,970	0.15	95
Paper Plates	489,474	392,745	0.15	80	4.9	5.5	293,170	0.15	86,500	29.5	466,610	372,270	0.15	80
Paper Towels	1,534,660	1,424,442	0.56	93	4.3	4.8	1,058,390	0.55	195,800	18.5	1,471,390	1,359,200	0.56	92
Pre-Moistened Wipes[38]	119,075	96,778	0.04	81	18.2	18.6	71,230	0.04	19,370	27.2	100,740	81,600	0.03	81
Sandwich Bags	7,591	6,943	.00	91	2.3	2.7	5,110	.00	1,500	29.5	7,420	6,760	.00	91
Toilet Paper	2,202,449	2,108,639	0.83	96	3.5	4.1	1,494,710	0.77	269,050	18.0	2,127,970	2,025,590	0.84	95
Waxed Paper	41,255	35,502	0.01	86	0.5	0.6	26,130	0.01	5,100	19.5	41,050	35,290	0.01	86
Other Paper Products[39]	143,465	42,283	0.02	29	3.9	4.3	33,000	0.02	8,900	27.0	138,080	40,540	0.02	29

[33] Includes dishwashing liquids.

[34] Includes soap cakes and pads. Excludes plastics.

[35] Chemical heavy duty household cleaners for walls, woodwork and floors. Excludes liquids.

[36] Includes borax, water softeners and similar items.

[37] Includes plastic and other non-paper disposables.

[38] Includes baby wipes.

[39] Excludes aluminum or plastic, which are listed separately below.

CONSUMER EXPENDITURES STUDY

DRY GROCERY: NONFOOD

CONTINUED

(add 000 to all dollar figures)	1984										1983			
	Value[1] of Total Domestic Consumption	Amount Spent in Grocery Stores[2]	% of Total Store	% Gro to Total	Percentage Change from 83 to 84 Total[1]	Percentage Change from 83 to 84 Grocery[2]	Amount Spent in Supermarkets	% of Total Supermarket	$ Margin	% Margin	Value[1] of Total Domestic Consumption	Amount Spent in Grocery Stores[2]	% of Total Store	% Gro[2] to Total
Household Aluminum Foil	429 718	383 388	0 15	89	3 3	3 2	303,690	0 16	57,100	18 8	415 990	371 500	0 15	89
Plastic Film Wraps & Bags	792 226	707 819	0 28	89	10 9	11 1	594 080	0 31	164,920	27 8	714 410	636 950	0 26	89
Plastic Bags	*558 483*	*495,347*	*0 20*	*89*	*9 5*	*9 6*	*460 500*	*0 24*	*131,790*	*28 6*	*509 910*	*451 870*	*0 19*	*89*
Garbage Disposal Bags	320 739	283 205	0 11	88	8 6	8 9	284,260	0 15	83,850	29 5	295 340	260 060	0 11	88
Food and Other Bags	237 744	212 142	0 08	89	10 8	10 6	176,240	0 09	47,940	27 2	214 570	191 810	0 08	89
Plastic Film Wraps[40]	*233 744*	*212,472*	*0 08*	*91*	*14 3*	*14 8*	*133,580*	*0 07*	*33,130*	*24 8*	*204 500*	*185 080*	*0 08*	*91*
Pesticides	**406,965**	**279,327**	**0.11**	**69**	**5.4**	**5.8**	**193,150**	**0.10**	**62,800**	**32.5**	**385,700**	**266,000**	**0.11**	**69**
Aerosol	275 885	191 338	0 08	69	6 4	5 7					259 290	181 020	0 08	70
Liquids (Non-Aerosol)	52 862	37 516	0 01	71	4 1	4 5					50 780	35 900	0 01	71
Pastes, Solids, Strips	35 547	24 504	0 01	69	0 9	1 3					35 230	24 190	0 01	69
Personal Insect Repellants	42 272	25 969	0 01	61	4 4	4 0					40 490	24 970	0 01	62
Waxes & Polishes	**395.832**	**305.447**	**0 12**	**77**	**2 2**	**3 0**	**212.420**	**0 11**	**56.270**	**26.5**	**386 340**	**296 470**	**0 12**	**77**
Furniture Polish	237 074	182 942	0 07	77	5 1	6 3	126 220	0 07	32 820	26 0	225 570	172 100	0 07	76
Liquid Floor Wax	6 898	4 064	00	59	−4 2	−3 7					7 200	4 220	00	59
Paste Floor Wax	5 094	3 355	00	66	−2 6	2 2	86 200	0 04	23 450	27 2	5 230	3 430	00	66
Self-Polishing Floor Wax	145 967	115 086	0 05	79	1 6	−1 4					148 340	116 720	0 05	79
Other Household Supplies	**2.530.561**	**1.223.063**	**0 48**	**48**	**6 8**	**5 5**	**733.800**	**0.38**	**251.860**	**34 3**	**2.368.560**	**1.159.590**	**0 48**	**49**
Charcoal Briquets	354 028	309 156	0 12	87	1 4	1 8	175 490	0 09	41 060	23 4	349 140	303 690	0 13	87
Charcoal Lighter	124 428	89 544	0 04	72	0 8	1 1	59 730	0 03	13 230	26 6	123 440	88 570	0 04	72
Electric Christmas Bulbs & Sets	246 499	28 828	0 01	12	4 4	4 6	17 280	0 01	7 780	45 0	236 110	27 560	0 01	12
Electric Light Bulbs[41]	1 082 201	460 864	0 18	43	12 3	9 5	278 000	0 14	114 000	41 0	963 670	420 680	0 17	44
Fireplace Logs	66 162	43 603	0 02	66	1 6	1 9	38 560	0 02	10 990	28 5	65 120	42 790	0 02	66
Household Glue	23 001	3 174	00	14	3 7	2 4	1 880	00	720	38 1	22 180	3 100	00	14
Household Tints & Dyes	46 496	4 234	00	9	1 1	1 3	2 520	00	1 060	42 2	45 990	4 150	00	9
Matches	42 535	30 399	0 01	71	4 8	1 5	18 240	0 01	5 470	30 0	44 680	29 950	0 01	67
Shoe Polish	232 647	71 529	0 03	31	3 8	3 5	42 920	0 02	13 530	45 5	224 130	69 110	0 03	31
Gloves	148 712	102 092	0 04	69	10 6	10 6	61 200	0 03	26 620	43 5	134 400	92 290	0 04	69
Household Gloves	*61 108*	*22 814*	*0 01*	*37*	*14 2*	*14 7*					*53 510*	*19 890*	*0 01*	*37*
Rubber Gloves	*87 604*	*79 278*	*0 03*	*90*	*8 3*	*9 5*					*80 890*	*72 400*	*0 03*	*90*
Household Supplies n c e	163 852	79 639	0 03	49	2 6	2 8	37 980	0 02	11 400	30 0	159 700	77 470	0 03	49
Pet Foods[42]	**5 708 003**	**5 270 363**	**2 08**	**92**	**3 7**	**4 1**	**3 784 850**	**1 96**	**811 570**	**21 4**	**5 503 680**	**5 062 820**	**2 10**	**92**
Canned Pet Food	1 884 703	1 801 850	0 71	96	3 5	4 1	1 304 700	0 68	276 510	21 2	1 820 320	1 731 070	0 72	95
Canned Cat Food	*980 731*	*939 841*	*0 37*	*96*	*6 4*	*7 3*	*692 330*	*0 36*	*146 080*	*21 1*	*921 740*	*875 900*	*0 36*	*95*
Canned Dog Food	*903 971*	*862 011*	*0 34*	*95*	*0 6*	*0 8*	*612 370*	*0 32*	*130 430*	*21 3*	*898 580*	*855 170*	*0 35*	*95*
Dry Pet Food	2 657 840	2 452 506	0 97	92	4 5	4 9	1 739 330	0 90	351 300	20 2	2 544 120	2 337 710	0 97	92
Dry Cat Food	*722 450*	*667 840*	*0 26*	*92*	*5 2*	*6 3*	*473 500*	*0 24*	*103 200*	*21 8*	*686 740*	*628 260*	*0 26*	*91*
Dry Dog Food	*1 935 390*	*1 784 666*	*0 70*	*92*	*4 2*	*4 4*	*1 265 830*	*0 66*	*248 100*	*19 6*	*1 857 380*	*1 709 450*	*0 71*	*92*
Semi-Moist Pet Food	506 300	466 471	0 18	92	2 1	1 6	351 900	0 18	75 340	21 4	517 310	474 170	0 20	92
Semi-Moist Cat Food	*285 745*	*259 989*	*0 10*	*91*	*8 2*	*9 4*	*184 330*	*0 09*	*39 820*	*21 6*	*264 290*	*237 650*	*0 10*	*90*
Semi-Moist Dog Food	*220 555*	*206 482*	*0 08*	*94*	*12 9*	*12 7*	*167 570*	*0 09*	*35 520*	*21 2*	*253 220*	*236 520*	*0 10*	*93*
Pet Snacks	313 799	297 378	0 12	95	1 8	2 1	210 630	0 11	55 820	26 5	308 250	291 260	0 12	94
Cat Litter	345 362	252 157	0 10	73	10 1	10 3	178 290	0 09	52 600	29 5	313 680	228 610	0 09	73
Tobacco Products	**23 630.247**	**10 385 388**	**4 09**	**44**	**4 3**	**4 9**	**7.338.130**	**3 80**	**1.076.010**	**14 7**	**22.658.040**	**9.900.850**	**4 11**	**44**
Cigarettes	21 856 537	9 817 675	3 87	45	4 5	5 1	7 221 000	3 74	1 047 000	14 5	20 906 760	9 341 270	3 88	45
Filter-Tipped Cigarettes	*20 456 715*	*9 817 675*	*3 87*	*48*	*4 7*	*5 1*					*19 538 410*	*9 341 270*	*3 88*	*48*
Other Cigarettes	*1 399 822*				*2 3*						*1 368 350*			
Cigars	703 585	86 004	0 03	13	1 1	1 2	45 570	0 02	11 120	24 4	695 930	86 960	0 04	12
Tobacco & Snuff	1 070 125	479 709	0 19	45	1 4	1 5	71 560	0 04	17 890	25 0	1 055 350	472 630	0 20	45
Other Groceries n c e	704 158	638 029	—	—	—	—	—	—	—	—	662 374	601 277		
Total Dry Grocery (Non-Food)	**53 105 156**	**34 687 044**	**13 67**	**65**	**4 4**	**4 7**	**24 659 650**	**12 77**	**4 713 090**	**19 1**	**50 856 374**	**33 127 227**	**13 74**	**65**

[40] Consumer size packages for household use only

[41] 200 watt and under, including non-residential use. Grocery store sales estimated at 70% of residential

[42] Pet accessories listed under General Merchandise

n.c.e. Not Classified elsewhere

— Not Available

HEALTH & BEAUTY AIDS

(add 000 to all dollar figures)	1984										1983			
	Value[1] of Total Domestic Consumption	Amount Spent in Grocery Stores[2]	% of Total Store	% Gro[2] to Total	Percentage Change from 83 to 84 Total[1]	Percentage Change from 83 to 84 Grocery[2]	Amount Spent in Supermarkets	% of Total Supermarket	$ Margin	% Margin	Value[1] of Total Domestic Consumption	Amount Spent in Grocery Stores[2]	% of Total Store	% Gro[2] to Total
HEALTH & BEAUTY AIDS														
Dieting Aids	**457,045**	**223,959**	**0.09**	**49**	**14.5**	**21.4**	**64,670**	**0.03**	**22,000**	**34.0**	**399,140**	**184,470**	**0.08**	**48**
Diet Supplements	95,114	62,974	0.02	66	19.4	21.9					79,660	51,660	0.02	65
Metered Calorie Meals[43]	152,840	107,171	0.04	70	32.8	35.3					115,090	79,210	0.03	69
Reducing Preparations	209,091	53,814	0.02	26	2.3	0.4					204,390	53,600	0.02	26
Cosmetics	**4,249,531**	**529,295**	**0.21**	**12**	**6.7**	**7.1**	**407,170**	**0.21**	**181,320**	**39.6**	**3,981,400**	**494,200**	**0.21**	**12**
Eye Makeup Products	2,329,554	452,630	0.18	19	6.8	7.6	332,770	0.17	131,440	39.5	2,180,510	420,770	0.17	19
Eye Shadow	*1,057,907*	*202,601*	*0.08*	*19*	*6.5*	*7.1*					*993,340*	*189,170*	*0.08*	*19*
Eyebrow Pencil	*203,644*	*39,973*	*0.02*	*20*	*7.6*	*8.8*					*189,260*	*36,740*	*0.02*	*19*
Mascara	*840,394*	*165,778*	*0.07*	*20*	*7.7*	*8.6*					*780,310*	*152,650*	*0.06*	*20*
Other Eye Preparations & Accessories[44]	*227,610*	*44,278*	*0.02*	*19*	*4.6*	*4.9*					*217,600*	*42,210*	*0.02*	*19*
Lipstick	1,183,309	40,730	0.02	3	8.8	6.4	31,750	0.02	12,700	40.0	1,087,600	38,280	0.02	4
Makeup Bases	597,762	29,713	0.01	5	3.6	2.4	37,860	0.02	15,220	40.2	576,840	29,020	0.01	5
Cake	*62,102*	*3,245*	*00*	*5*	*5.4*	*1.4*					*58,920*	*3,200*	*00*	*5*
Cream	*181,183*	*8,362*	*00*	*5*	*2.7*	*2.1*					*176,420*	*8,190*	*00*	*5*
Lotion	*354,477*	*18,106*	*0.01*	*5*	*3.8*	*2.7*					*341,500*	*17,630*	*0.01*	*5*
Pressed Cake Powder & Blush	138,906	6,222	00	4	1.8	1.5	4,790	00	1,960	41.0	136,450	6,130	00	4
Feminine Hygiene Products	**1,433,656**	**849,912**	**0.34**	**59**	**7.2**	**5.3**	**745,830**	**0.38**	**151,870**	**20.4**	**1,337,800**	**807,000**	**0.33**	**60**
Douches	51,953	18,780	0.01	36	6.0	6.1	19,130	0.01	5,450	28.5	49,000	17,700	0.01	36
Liquid Douches	*31,664*	*10,383*	*00*	*33*	*7.3*	*7.6*					*29,510*	*9,650*	*00*	*33*
Powder Douches	*20,289*	*8,396*	*00*	*41*	*4.1*	*4.3*					*19,490*	*8,050*	*00*	*41*
Sanitary Napkins	969,089	593,081	0.23	61	7.6	5.3	550,600	0.29	111,200	20.2	900,640	563,230	0.23	63
Tampons	412,614	238,052	0.09	58	6.3	5.3	176,100	0.09	35,220	20.0	388,160	226,070	0.09	58
Hair Products[45]	**3,720,731**	**1,462,900**	**0.58**	**39**	**2.7**	**3.6**	**1,333,350**	**0.69**	**403,990**	**30.3**	**3,622,400**	**1,411,590**	**0.59**	**39**
Coloring Preparations	575,387	84,193	0.03	15	1.6	0.6	75,650	0.04	19,500	25.8	566,180	83,730	0.03	15
Color Rinses	*90,147*	*16,162*	*0.01*	*18*	*0.7*	*1.2*					*89,520*	*15,970*	*0.01*	*18*
Tints & Dyes	*485,240*	*68,031*	*0.03*	*14*	*1.8*	*0.4*					*476,660*	*67,760*	*0.03*	*14*
Cream Rinses	150,871	83,361	0.03	55	0.3	1.4	82,740	0.04	21,900	26.5	150,420	82,210	0.03	55
Dandruff Rinses	16,078	5,754	00	36	0.3	0.6					16,030	5,720	00	36
Men's Hair Dressings	123,802	60,682	0.02	49	6.1	6.3	55,630	0.03	16,410	29.5	116,700	57,080	0.02	49
Men's Hair Spray	*40,153*	*17,420*	*0.01*	*43*	*8.2*	*7.6*					*37,110*	*16,190*	*0.01*	*44*
Other Men's Hair Dressings	*83,649*	*43,262*	*0.02*	*52*	*5.1*	*5.8*					*79,590*	*40,890*	*0.02*	*51*
Shampoos	1,186,980	727,644	0.29	61	1.5	3.7	672,180	0.35	184,850	27.5	1,169,710	701,610	0.29	60
Baby Shampoo	*80,681*	*57,134*	*0.02*	*71*	*4.1*	*0.5*					*84,130*	*56,850*	*0.02*	*68*
Color Shampoo	*14,562*	*3,501*	*00*	*24*	*16.5*	*-14.2*					*17,440*	*4,080*	*00*	*23*
Medicated Shampoo	*284,318*	*152,988*	*0.06*	*54*	*1.8*	*0.3*					*289,530*	*152,530*	*0.06*	*53*
Other Shampoo	*807,419*	*514,022*	*0.20*	*64*	*3.7*	*5.3*					*778,610*	*488,150*	*0.20*	*63*
Barrettes	77,816	10,040	00	13	2.9	0.3	167,150	0.09	86,920	52.0	80,140	10,010	00	12
Bobby Pins	41,554	10,758	00	26	0.3	1.2					41,430	10,630	00	26
Combs	151,483	16,869	0.01	11	4.5	6.9					144,960	15,780	0.01	11
Curlers & Rollers	145,781	28,146	0.01	19	0.4	1.1					145,200	27,840	0.01	19
Hair Brushes	298,293	98,599	0.04	33	5.8	7.7					281,940	91,550	0.04	32
Hair Nets	37,889	4,323	00	11	0.5	2.2					37,700	4,230	00	11
Pin Curl Clips	29,082	9,811	00	34	4.2	2.3					27,910	9,590	00	34
Pony Tailers	77,494	8,730	00	11	6.2	4.3					72,970	8,370	00	11
Home Permanent Kits Refills	145,474	27,649	0.01	19	3.1	0.8	24,480	0.01	6,980	28.5	141,100	27,430	0.01	19
Waveset Preparations	28,858	8,073	00	28	21.1	22.5	6,260	00	1,810	29.0	23,830	6,590	00	28
Women's Hair Dressings & Conditioners	268,259	120,499	0.05	45	3.9	2.3	104,240	0.05	27,100	26.0	258,190	117,790	0.05	46
Women's Hair Spray	320,119	146,112	0.06	46	5.8	4.5	135,770	0.07	35,840	26.4	302,570	139,820	0.06	46
Other Hair Dressings	45,511	11,656	00	26	0.2	0.4	9,250	0.01	2,680	29.0	45,420	11,610	00	26
Health Aids	**1,002,168**	**460,762**	**0.18**	**46**	**2.1**	**3.6**	**377,830**	**0.20**	**123,580**	**32.7**	**981,520**	**444,780**	**0.18**	**45**
Baby Oils & Lotions	109,050	86,424	0.03	79	2.8	4.1	70,890	0.04	20,840	29.4	106,080	83,020	0.03	78
Baby Pants	89,529	14,844	0.01	17	14.4	-13.6	12,170	0.01	4,870	40.0	104,590	17,180	0.01	16
Baby Powder	89,778	43,707	0.02	49	2.3	0.8	35,830	0.02	9,240	25.8	87,760	43,360	0.02	49
Cotton Swabs	81,699	49,227	0.02	60	7.4	9.2	40,350	0.02	12,220	30.3	76,070	45,080	0.02	59
Diaper Rash Products	30,603	16,709	0.01	55	1.2	4.3	13,700	0.01	4,040	29.5	30,240	16,020	0.01	53
Fever Thermometers	30,278	10,083	00	33	4.3	4.7	8,220	00	3,700	45.0	29,030	9,630	00	33
First Aid Products	475,391	209,424	0.08	44	3.2	4.7	172,910	0.09	60,170	34.8	460,800	200,060	0.08	43
Adhesive Bandages	*178,290*	*91,221*	*0.04*	*51*	*4.3*	*5.8*					*170,940*	*86,220*	*0.04*	*50*
Adhesive Tape[46]	*69,401*	*39,778*	*0.02*	*57*	*7.1*	*9.4*					*64,800*	*36,360*	*0.02*	*56*
Cotton Balls	*69,353*	*25,147*	*0.01*	*36*	*2.2*	*2.6*					*67,860*	*24,510*	*0.01*	*36*
First Aid Kits	*38,357*	*20,192*	*0.01*	*53*	*2.4*	*1.6*					*39,300*	*20,520*	*0.01*	*52*
Gauze Bandages	*41,392*	*9,964*	*00*	*24*	*1.6*	*2.4*					*40,740*	*9,730*	*00*	*24*
Gauze Dressings	*47,824*	*10,271*	*00*	*21*	*2.1*	*2.5*					*46,840*	*10,020*	*00*	*21*
Other First Aid Cotton	*30,775*	*12,852*	*0.01*	*42*	*1.5*	*1.2*					*30,320*	*12,700*	*0.01*	*42*
Nipples & Pacifiers	29,543	12,134	00	41	10.4	3.8	9,940	0.01	3,530	35.5	26,760	11,690	00	44
Nursing Bottles—Plastic & Glass	32,604	5,450	00	17	16.4	4.2	4,470	00	1,580	35.4	28,010	5,230	00	19
Disposable Bottle Liners	33,692	12,762	0.01	38	4.7	5.4	9,350	00	3,370	36.0	32,180	13,490	0.01	42

[43] Does not include frozen foods

[44] Includes false eyelashes adhesives, liners, brushes, tweezers, etc. Excludes lotions and washes

[45] Excludes products sold for professional use

[46] Plastic and fabric rolls and spools only

CONSUMER
EXPENDITURES STUDY

HEALTH & BEAUTY AIDS

—CONTINUED—

(add 000 to all dollar figures)	1984										1983			
	Value[1] of Total Domestic Consumption	Amount Spent in Grocery Stores[2]	% of Total Store	% Gro[2] to Total	Percentage Change from '83 to '84 Total[1]	Percentage Change from '83 to '84 Grocery[2]	Amount Spent in Supermarkets	% of Total Supermarket	$ Margin	% Margin	Value[1] of Total Domestic Consumption	Amount Spent in Grocery Stores[2]	% of Total Store	% Gro[2] to Total
Infant Formulas	**1,066,923**	**905,486**	**0.36**	**85**	**8.8**	**9.2**	**642,900**	**0.33**	**55,930**	**8.7**	**980,810**	**829,480**	**0.34**	**85**
Hypoallergenic Formulas[47]	247,358	211,185	0.08	85	11.8	12.1					221,250	188,390	0.08	85
Routine Infant Formulas	819,565	694,300	0.27	85	7.9	8.3					759,560	641,090	0.27	84
Nail Care Products	**478,202**	**85,307**	**0.03**	**18**	**3.8**	**5.8**	**67,390**	**0.03**	**27,630**	**41.0**	**461,670**	**80,790**	**0.03**	**17**
Manicure Implements	142,490	37,198	0.01	26	7.8	9.6					132,180	33,940	0.01	26
Nail Polish & Enamel	281,510	36,562	0.01	13	2.2	3.4					275,450	35,360	0.01	13
Nail Polish Remover	54,202	11,547	00	21	0.3	0.5					54,040	11,490	00	21
Oral Hygiene Products	**2,076,029**	**1,122,747**	**0.44**	**54**	**2.9**	**3.5**	**977,000**	**0.50**	**213,810**	**21.9**	**2,018,130**	**1,084,950**	**0.45**	**54**
Denture Products	285,736	118,304	0.05	41	2.6	3.2	100,340	0.05	27,320	27.2	278,500	114,590	0.05	41
Denture Adhesives	*132,369*	*48,358*	*0.02*	*37*	*3.3*	*5.4*					*128,140*	*45,880*	*0.02*	*36*
Denture Cleansers	*153,367*	*69,947*	*0.03*	*46*	*2.0*	*1.8*					*150,360*	*68,710*	*0.03*	*46*
Mouthwashes & Gargles	457,149	237,744	0.09	52	2.7	4.1	206,190	0.10	45,360	22.0	445,130	228,380	0.09	51
Breath Fresheners[48]	18,482	9,583	00	52	4.3	3.6	7,870	00	2,640	33.5	17,720	9,250	00	52
Toothbrushes	272,960	88,516	0.03	32	6.6	7.5	72,780	0.04	24,380	33.5	256,060	82,340	0.03	32
Toothpaste & Powder	984,428	644,834	0.25	66	2.1	2.8	572,570	0.30	107,640	18.8	964,180	627,270	0.26	65
Dental Floss	57,275	23,767	0.01	41	1.3	2.8	17,250	0.01	6,470	37.5	56,540	23,120	0.01	41
Packaged Medications	**5,801,527**	**1,935,604**	**0.76**	**33**	**6.4**	**7.8**	**1,677,650**	**0.87**	**425,960**	**25.4**	**5,451,730**	**1,796,360**	**0.75**	**33**
Acne Preparations	172,409	31,953	0.01	19	3.4	4.9	26,620	0.01	8,520	32.0	166,740	30,460	0.01	18
Aerosol Antiseptics	53,316	10,050	00	19	0.2	0.4					53,210	10,010	00	19
Athlete's Foot Medications	74,714	18,403	0.01	25	2.7	4.8					72,750	17,560	0.01	24
Burn Remedies	47,307	13,430	0.01	28	1.3	0.6	53,060	0.03	18,840	35.5	46,700	13,350	0.01	29
External Antiseptics	20,664	4,189	00	20	0.7	0.5					20,810	4,210	00	20
Foot Salves, Ointments	50,229	11,678	00	23	0.8	0.5					49,830	11,620	00	23
Poison Ivy Remedies	33,097	7,870	00	24	3.3	0.9					32,040	7,800	00	24
Antacids	371,711	184,782	0.07	50	0.3	0.8	168,590	0.09	43,830	26.0	370,570	183,380	0.08	49
Effervescent Antacids	*160,364*	*80,836*	*0.03*	*50*	*4.8*	*5.3*					*168,450*	*85,360*	*0.04*	*51*
Liquid Antacids	*99,129*	*42,498*	*0.02*	*43*	*5.3*	*7.4*					*94,140*	*39,570*	*0.02*	*42*
Powder Antacids	*4,870*	*2,048*	*00*	*42*	*0.2*	*0.4*					*4,860*	*2,040*	*00*	*42*
Tablets, Pills, Gum, Lozenges	*107,348*	*59,400*	*0.02*	*55*	*4.1*	*5.3*					*101,120*	*56,410*	*0.02*	*55*
Cold Tablets, Capsules	540,783	280,724	0.11	52	10.4	12.7	233,470	0.12	58,830	25.2	489,840	249,090	0.10	51
Cough Medications	1,121,416	216,239	0.09	19	6.9	7.5	191,670	0.10	52,700	27.5	1,049,080	201,100	0.08	19
Cough Drops, Lozenges, Troches	*322,126*	*73,836*	*0.03*	*23*	*5.0*	*6.0*					*306,780*	*69,640*	*0.03*	*23*
Cough Drops	195,135	65,962	0.03	34	5.2	6.1					185,490	62,170	0.03	34
Lozenges, Troches	126,991	7,873	00	6	4.7	5.4					121,290	7,470	00	6
Salves, Ointments[49]	*54,956*	*19,967*	*0.01*	*36*	*3.3*	*3.4*					*53,200*	*19,310*	*0.01*	*36*
Syrups, Elixirs, Expectorants	*522,826*	*105,562*	*0.04*	*20*	*9.3*	*9.8*					*478,340*	*96,140*	*0.04*	*20*
Other Cough & Cold Remedies[50]	*221,509*	*16,875*	*0.01*	*8*	*5.1*	*5.4*					*210,760*	*16,010*	*0.01*	*8*
Nasal Sprays	157,548	19,231	0.01	12	6.2	6.6	17,440	0.01	4,920	28.2	148,350	18,040	0.01	12
Nose Drops	10,258	1,116	00	11	5.1	5.3					9,760	1,060	00	11
Analgesics	1,899,250	827,266	0.33	44	7.7	9.0	702,100	0.36	157,690	22.5	1,763,000	758,930	0.31	43
Internal Analgesics[51]	*1,770,341*	*789,781*	*0.31*	*45*	*8.0*	*9.2*	*670,600*	*0.35*	*148,870*	*22.2*	*1,638,690*	*723,500*	*0.30*	*44*
Arthritic	82,253	26,161	0.01	32	8.8	13.2					75,600	23,110	0.01	31
Extra Strength	811,565	390,159	0.15	48	14.5	14.8					708,790	339,860	0.14	48
Menstrual Pain	52,696	23,880	0.01	45	5.9	6.8					49,760	22,360	0.01	45
Pediatric	89,933	37,104	0.01	41	7.4	5.9					97,120	39,430	0.02	41
Regular Strength	591,186	252,314	0.10	43	2.4	3.2					577,330	244,490	0.10	42
Sinus	142,709	60,163	0.02	42	9.7	10.9					130,090	54,250	0.02	42
External Analgesics	*128,909*	*37,485*	*0.01*	*29*	*3.7*	*5.8*	*31,500*	*0.02*	*8,820*	*28.0*	*124,310*	*35,430*	*0.01*	*29*
Salves, Ointments, Balms	128,909	37,485	0.01	29	3.7	5.8					124,310	35,430	0.01	29
Diarrhea Remedies	103,015	53,392	0.02	52	9.3	9.5	49,950	0.03	13,700	27.4	94,250	48,760	0.02	52
Hemorrhoidal Medications	160,472	44,919	0.02	28	2.0	2.7	41,090	0.02	11,100	27.0	157,380	43,730	0.02	28
Hemorrhoidal Suppositories	*94,308*	*26,912*	*0.01*	*29*	*1.8*	*2.6*					*92,640*	*26,230*	*0.01*	*28*
Hemorrhoidal Ointments	*66,164*	*18,008*	*0.01*	*27*	*2.2*	*2.9*					*64,740*	*17,500*	*0.01*	*27*
Laxatives	501,861	112,200	0.04	22	0.4	-0.1	95,420	0.05	27,500	28.8	503,820	112,300	0.05	22
Tablets, Pills, Gums	*141,431*	*46,709*	*0.02*	*33*	*1.8*	*2.5*					*138,930*	*45,570*	*0.02*	*33*
Milk of Magnesia Liquids	*51,960*	*16,969*	*0.01*	*33*	*3.6*	*-3.2*					*53,900*	*17,530*	*0.01*	*33*
Milk of Magnesia Tablets	*10,873*	*5,622*	*00*	*52*	*0.3*	*0.4*					*10,840*	*5,600*	*00*	*52*
Mineral Oil	*16,130*	*10,881*	*00*	*67*	*6.6*	*-5.3*					*17,270*	*11,490*	*00*	*67*
Mineral Oil Emulsions	*24,476*				*5.5*						*25,900*			
Saline Preparations	*10,699*	*1,235*	*00*	*12*	*5.4*	*-5.7*					*11,310*	*1,310*	*00*	*12*
Bulk-Type Laxatives	*119,684*	*16,451*	*0.01*	*14*	*0.6*	*0.8*					*118,970*	*16,320*	*0.01*	*14*
Stool Softeners	*92,112*	*6,749*	*00*	*7*	*1.4*	*1.8*					*90,840*	*6,630*	*00*	*7*
Other Liquid Laxatives	*34,497*	*7,583*	*00*	*22*	*3.8*	*-3.4*					*35,860*	*7,850*	*00*	*22*
Eye Lotions, Washes	102,528	47,454	0.02	46	6.8	13.5	56,350	0.03	15,100	26.8	96,000	41,810	0.02	44
Contact Lens Solutions	329,121	28,310	0.01	9	17.8	19.5	23,600	0.01	8,020	34.0	279,390	23,690	0.01	8
Sleeping Aids (non-Rx)	51,826	22,398	0.01	43	7.5	15.1	18,290	0.01	5,210	28.5	48,210	19,460	0.01	40
Personal Cleanliness Products	**158,144**	**33,822**	**0.01**	**21**	**2.7**	**3.3**	**26,710**	**0.01**	**8,390**	**31.4**	**154,000**	**32,750**	**0.01**	**21**
Bath Salts, Tablets, Oils, Bubble Bath	97,191	26,245	0.01	27	3.7	3.9	20,590	0.01	6,630	32.2	93,710	25,270	0.01	27
Bubble Bath	*46,937*	*16,783*	*0.01*	*36*	*5.5*	*4.7*					*44,490*	*16,030*	*0.01*	*36*
Other Salts, Oils, Tablets	*50,254*	*9,462*	*00*	*19*	*2.1*	*2.4*					*49,220*	*9,240*	*00*	*19*
Talcum, Body Powder	60,953	7,577	00	12	1.1	1.3	6,120	00	1,760	28.8	60,290	7,480	00	12

[47] Includes soy isolate formulas. [48] Liquids and sprays only. [49] Excludes analgesics. [50] Includes antihistamines, room decongestants, inhaler tubes and other inhalents. [51] Includes non-aspirin compounds.

CONSUMER EXPENDITURES STUDY

HEALTH & BEAUTY AIDS

CONTINUED

(add 000 to all dollar figures)	1984										1983			
	Value[1] of Total Domestic Consumption	Amount Spent in Grocery Stores[2]	% of Total Store	% Gro[2] to Total	Percentage Change from 83 to 84: Total[1]	Percentage Change from 83 to 84: Grocery[2]	Amount Spent in Supermarkets	% of Total Supermarket	$ Margin	% Margin	Value[1] of Total Domestic Consumption	Amount Spent in Grocery Stores[2]	% of Total Store	% Gro[2] to Total
Personal Deodorants, Antiperspirants	**1,055,392**	**569,675**	**0.22**	**54**	**6.2**	**7.3**	**509,440**	**0.26**	**131,430**	**25.8**	**993,780**	**530,970**	**0.22**	**53**
Stick Deodorants	367,622	222,598	0.09	61	10.5	10.9					332,690	200,720	0.08	60
Roll-On Deodorants	319,256	144,314	0.06	45	5.7	8.1					302,040	133,500	0.06	44
Feminine Sprays	7,500	3,608	.00	48	-4.7	-4.3					7,870	3,770	.00	48
Other Aerosols (Including Powder)	361,013	199,155	0.08	55	2.8	3.2					351,180	192,980	0.08	55
Shaving Products	**1,660,110**	**553,156**	**0.22**	**33**	**4.8**	**1.6**	**436,910**	**0.23**	**112,150**	**25.7**	**1,583,570**	**544,340**	**0.23**	**34**
After Shave Lotions	295,975	93,052	0.04	31	9.6	4.6	74,050	0.04	21,840	29.5	270,050	88,960	0.04	33
Depilatories	24,538	8,092	.00	33	1.9	2.3	6,430	.00	1,930	30.0	24,080	7,910	.00	33
Pre-Shave Products	25,522	10,433	.00	41	5.2	5.7	8,300	.00	2,500	30.2	24,260	9,870	.00	41
Razor Blades[52]	645,869	301,056	0.12	47	1.3	0.6	237,200	0.12	56,900	24.0	637,580	299,260	0.12	47
Razors	39,951	13,855	0.01	35	-4.4	-5.3	10,530	0.01	2,870	27.3	41,790	14,630	0.01	35
Shaving Cream	234,394	103,337	0.04	44	3.1	1.8	81,450	0.04	20,520	25.2	227,420	101,510	0.04	45
Aerosol Shaving Cream	*229,573*	*102,289*	*0.04*	*45*	*3.1*	*1.8*					*222,670*	*100,480*	*0.04*	*45*
Non-Aerosol Shaving Cream	*4,821*	*1,049*	*.00*	*22*	*1.5*	*1.8*					*4,750*	*1,030*	*.00*	*22*
Men's Cologne	393,871	23,332	0.01	6	9.9	5.1	18,950	0.01	5,590	29.5	358,390	22,200	0.01	6
Skin Care Products	**1,521,791**	**366,633**	**0.14**	**24**	**3.6**	**6.4**	**290,760**	**0.15**	**81,540**	**28.0**	**1,468,350**	**344,600**	**0.14**	**23**
Face Cream	680,208	136,568	0.05	20	0.7	0.9					675,480	135,350	0.06	20
Face Lotions & Astringents	113,060	12,581	.00	11	1.1	1.3	231,420	0.11	65,950	28.5	111,830	12,420	0.01	11
Hand & Body Lotions	328,555	131,151	0.05	40	9.1	12.2					301,150	116,890	0.05	39
Hand Creams	24,624	5,919	.00	24	0.3	0.5					24,550	5,890	.00	24
Lip Protectors	33,863	9,525	.00	28	10.7	11.4	6,850	.00	1,860	27.2	30,590	8,550	.00	28
Liquid Facial Cleansers	105,461	29,544	0.01	28	1.2	2.3	23,300	0.01	6,290	27.0	104,210	28,880	0.01	28
Suntan/Sunscreen Products	236,021	41,344	0.02	18	7.0	12.9	29,190	0.02	7,440	25.5	220,580	36,620	0.02	17
Vitamins & Tonics[53]	**1,350,894**	**491,220**	**0.19**	**36**	**4.4**	**2.8**	**482,000**	**0.20**	**147,000**	**30.5**	**1,293,960**	**477,840**	**0.20**	**37**
Other Health & Beauty Aids	**1,738,316**	**741,296**	**0.29**	**43**	**64.5**	**38.1**	**150,000**	**0.08**	**41,250**	**27.5**	**1,040,920**	**536,843**	**0.22**	**51**
Health & Beauty Aids (non-Rx)	**27,758,467**	**10,331,686**	**4.07**	**37**	**7.7**	**7.6**	**8,110,410**	**4.20**	**2,107,830**	**26.0**	**25,770,220**	**9,600,943**	**3.98**	**37**
Prescriptions	**19,612,483**	**1,577,145**	**0.62**	**8**	**10.4**	**11.5**	**1,577,145**	**0.82**	**—**	**—**	**17,764,930**	**1,414,480**	**0.59**	**8**
Total HBA & Prescriptions	**47,380,950**	**11,908,831**	**4.69**	**25**	**8.8**	**8.1**	**9,687,555**	**5.02**	**—**	**—**	**43,543,150**	**11,015,423**	**4.57**	**23**

CONSUMER EXPENDITURES STUDY

GENERAL MERCHANDISE

(add 000 to all dollar figures)	1984										1983			
	Value[1] of Total Domestic Consumption	Amount Spent in Grocery Stores[2]	% of Total Store	% Gro[2] to Total	Percentage Change from 83 to 84: Total[1]	Percentage Change from 83 to 84: Grocery[2]	Amount Spent in Supermarkets	% of Total Supermarket	$ Margin	% Margin	Value[1] of Total Domestic Consumption	Amount Spent in Grocery Stores[2]	% of Total Store	% Gro[2] to Total
GENERAL MERCHANDISE														
Auto Supplies[54]	**1,940,136**	**375,338**	**0.15**	**19**	**8.1**	**-6.2**	**305,900**	**0.16**	**90,200**	**29.5**	**1,794,960**	**400,230**	**0.17**	**22**
Antifreeze	472,212	88,550	0.03	19	17.7	-9.3					401,200	97,630	0.04	24
Automobile Polish	145,175	37,576	0.01	26	3.6	3.8					140,130	36,200	0.02	26
Automotive Additives	151,868	26,715	0.01	18	-5.9	-5.2					161,390	28,180	0.01	17
Motor Oil	1,170,881	222,497	0.09	19	7.2	-6.6					1,092,240	238,220	0.10	22
Disposable Cigarette Lighters	**282,835**	**114,945**	**0.05**	**41**	**2.7**	**4.8**	**93,010**	**0.05**	**37,200**	**40.0**	**275,300**	**109,680**	**0.05**	**40**
Flashlights & Batteries	**3,043,732**	**465,738**	**0.18**	**15**	**8.9**	**10.3**	**414,870**	**0.21**	**166,000**	**40.0**	**2,794,210**	**422,280**	**0.18**	**15**
Flashlights	304,646	30,664	0.01	10	9.2	4.8					278,980	29,260	0.01	10
Batteries	2,739,085	435,073	0.17	16	8.9	10.7					2,515,230	393,020	0.16	16
Garden Seed Packets[55]	**127,155**	**63,761**	**0.03**	**50**	**-7.2**	**-6.7**	**51,430**	**0.03**	**24,430**	**47.5**	**137,020**	**68,340**	**0.03**	**50**
Greeting Cards	**3,321,881**	**353,333**	**0.14**	**11**	**5.4**	**17.5**	**352,500**	**0.18**	**170,900**	**48.5**	**3,150,940**	**300,730**	**0.13**	**10**

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[52] Includes disposable razors.

[53] Total consumption excludes doctors' prescriptions and sales at equivalent retail prices to hospitals.

[54] For non-commercial vehicles only.

[55] Flower and vegetable seeds. Packets only.

GENERAL MERCHANDISE

CONTINUED

(add 000 to all dollar figures)	1984										1983			
	Value[1] of Total Domestic Consumption	Amount Spent in Grocery Stores[2]	% of Total Store	% Gro- to Total	Percentage Change from 83 to 84 Total[1]	Percentage Change from 83 to 84 Grocery[2]	Amount Spent in Supermarkets	% of Total Supermarket	$ Margin	% Margin	Value[1] of Total Domestic Consumption	Amount Spent in Grocery Stores[2]	% of Total Store	% Gro- to Total
Housewares	**3 632 883**	**318,400**	**0 13**	**9**	**3 2**	**3 1**	**2,670 000**	**1 30**	**1,134,750**	**42 5**	**3,521,170**	**308,770**	**0 13**	**9**
Bakeware	1 448 349	113 093	0 04	8	3 6	4 9					1 398 020	107 810	0 04	8
Barbeque Grills	561 381	3 855	00	1	2 8	0 4					546 090	3 840	00	1
Beverageware[54]	421 581	64 555	0 03	15	2 9	1 2					409 700	63 790	0 03	16
Cutlery	475 469	44 077	0 02	9	3 5	4 2					459 390	42 300	0 02	9
Food Preparation Glassware[54]	443 184	58 447	0 02	13	2 3	1 7					433 220	57 470	0 02	13
Ornamental & Novelty Glassware	155 560	6 987	00	4	3 7	2 9					150 010	6 790	00	5
Tableware	127 360	27 386	0 01	22	2 1	2 3					124 740	26 770	0 01	21
Other Housewares	**nd**	**3,018,795**	**1 19**	**nd**	**nd**	**4 8**					**nd**	**2,880,530**	**1 20**	**nd**
Magazines[57] & Newspapers[58]	**8,971,680**	**1,319,320**	**0 52**	**15**	**5 2**	**5 6**	**1,051,140**	**0 54**	**315,340**	**30 0**	**8,529,030**	**1,248 800**	**0 52**	**15**
Children's Story Books	378 867	66 312	0 03	18	4 9	6 8					361 170	62 090	0 03	17
Coloring Books	171 453	21 207	0 01	12	12 2	10 9					152 810	19 140	0 01	13
Comics	82 576	24 077	0 01	29	5 3	5 6					78 420	22 800	0 01	29
Magazines	2 038 286	1 019 188	0 40	50	3 7	5 2					1 965 560	968 810	0 40	49
Newspapers	4 819 995	57 818	0 02	1	5 4	5 7					4 573 050	54 700	0 02	1
Paperback Books	1 480 503	130 718	0 05	9	5 9	7 8					1 398 020	121 260	0 05	9
Men's Hosiery	**1 331 646**	**50,588**	**0 02**	**4**	**9 3**	**10 6**	**37,730**	**0 02**	**15,540**	**41 2**	**1,218 340**	**45,740**	**0 02**	**4**
Men's & Boys' Underwear	**nd**	**93,723**	**0 04**	**nd**	**nd**	**5 2**	**69 540**	**0 04**	**24,000**	**34 5**	**nd**	**89,090**	**0 04**	**nd**
Pet Accessories	**1 518,153**	**405 002**	**0 16**	**27**	**1 0**	**1 0**	**394 860**	**0 20**	**157,940**	**40 0**	**1,583 530**	**400,910**	**0 17**	**27**
Bird Food	36 837	20 087	0 01	55	1 9	3 7					36 150	19 370	0 01	54
Pet Grooming Aids	61 203	12 807	0 01	21	1 7	2 7					60 180	12 470	0 01	21
Feeding Bowls	11 480	3 006	00	26	2 5	3 3					11 200	2 910	00	26
Flea Collars	241 894	159 377	0 06	66	3 2	1 1					249 890	161 150	0 07	64
Other Pet Accessories[59]	1 166 740	209 725	0 08	18	1 8	2 3					1 146 110	205 010	0 09	18
Photo Supplies & Processing	**5 548 881**	**819 983**	**0 32**	**15**	**7 9**	**7 4**	**698,640**	**0 36**	**157 200**	**22 5**	**5,140 610**	**763,640**	**0 32**	**15**
Film[60]	2 150 037	550 193	0 22	26	8 3	9 2					1 985 260	503 840	0 21	25
Processing	3 220 855	226 641	0 09	7	-9 5	8 8					2 941 420	208 310	0 09	7
Flash Bulbs & Cubes	177 990	43 149	0 02	24	16 8	16 2					213 930	51 490	0 02	24
Playing Cards	**201 559**	**26 894**	**0 01**	**13**	**9 4**	**5 8**	**15 540**	**0 01**	**6,210**	**40 0**	**184 240**	**25,420**	**0 01**	**14**
Records & Tapes	**2 170 123**	**192 530**	**0 08**	**9**	**13 2**	**13 5**	**144 370**	**0 07**	**59,190**	**41 0**	**1 917 070**	**169,630**	**0 07**	**9**
Shoe Laces[61]	**55 356**	**29 938**	**0 01**	**54**	**5 4**	**3 2**	**12,320**	**0 01**	**3,700**	**30 0**	**52 520**	**29,010**	**0 01**	**55**
Stationery	**591 990**	**124 547**	**0 05**	**21**	**2 4**	**5 0**	**105 260**	**0 05**	**46 840**	**44 5**	**578 270**	**118,590**	**0 05**	**21**
Looseleaf Fillers	166 443	16 710	0 01	10	2 8	4 7					161 910	15 960	0 01	10
Notebooks	92 878	16 705	0 01	18	4 2	4 8					96 950	15 940	0 01	16
Packaged Paper Envelopes	78 413	22 824	0 01	29	2 1	4 6					76 800	21 820	0 01	28
Writing Tablets Pads	254 255	68 308	0 03	27	4 8	5 3					242 610	64 870	0 03	27
Sunglasses	**929 590**	**68 400**	**0 03**	**7**	**2 1**	**4 3**	**52 670**	**0 03**	**27 390**	**52 0**	**910 470**	**65 580**	**0 03**	**7**
Toys[62]	**9 601 862**	**211 974**	**0 08**	**2**	**8 7**	**6 6**	**168 270**	**0 08**	**64 900**	**38 5**	**8,833,360**	**198 850**	**0 08**	**2**
Vacuum Bottles & Jugs	**326 235**	**44 202**	**0 02**	**14**	**7 4**	**11 0**	**35 340**	**0 02**	**13 070**	**37 0**	**303,790**	**39,810**	**0 02**	**13**
Vacuum Bottles	217 536	26 015	0 01	12	8 2	13 8					201 050	22 860	0 01	11
Vacuum Jugs	108 699	18 187	0 01	17	5 8	7 3					102 740	16 950	0 01	16
Women's Hosiery	**3 943 600**	**726 829**	**0 29**	**18**	**12 6**	**9 5**	**580 350**	**0 30**	**246 650**	**42 5**	**3 502 870**	**663,750**	**0 28**	**19**
Panty Hose	3 794 693	718 656	0 28	19	13 4	9 7					3 346 290	655 110	0 27	20
Stockings	148 908	8 173	00	5	4 9	5 4					156 580	8 640	00	6
Writing Implements	**831 140**	**94 854**	**0 04**	**11**	**4 3**	**4 4**	**68,310**	**0 04**	**30,400**	**44 5**	**796,720**	**90,830**	**0 04**	**11**
Ballpoint & Fountain Pens	362 403	47 754	0 02	13	3 9	5 3					348 800	45,350	0 02	13
Ballpoint Refills	57 472	5 146	00	9	2 3	1 7					56 180	5 060	00	9
Broad Tip Markers	77 060	5 505	00	7	14 4	7 1					67 360	5 140	00	8
Fine Line Porous Pens	227 399	27 920	0 01	12	2 9	3 6					220 990	26 950	0 01	12
Mechanical Pencils	36 551	5 263	00	14	5 7	2 2					34 580	5 150	00	15
Woodcased Pencils	70 255	3 266	00	5	2 1	2 7					68 810	3 180	00	5
General Merchandise n.c.e.[63]	nd	4 390 690	—	nd	—	—	2 430 470	1 26	850 660	35 0	nd	2 534,799	—	—
Total General Merchandise	nd	13 320 385	5 25	nd	—	21 3	9 751 800	5 05	3 642 070	37 4	nd	10 983,999	4 56	—
Total HBA, Prescriptions, General Merchandise	nd	25 229 216	9 94	nd	—	14 7	19 439 355	10 06	—	—	nd	21 999,422	9 13	—
GRAND TOTAL*	nd	253 704 000	100 00	nd	—	5 3	193 105 521	100 00	48 476 570	25 3	nd	241 820 000	100 00	—

*Margin based on total excluding Prescriptions

54 Machine-made only

57 Newsstand sales of weekly and monthly periodicals, digest size books, children's books, children's coloring books, pocket-size books

58 Spending for newspapers in all outlets. Includes newsstand sales plus home deliveries and mail subscriptions

59 Excludes pet foods (listed under Dry Grocery—Non-Food), but includes other pet accessories not listed

60 Excludes movie film

61 Dress, work and athletic shoes and boots

62 Excludes sporting goods and apparatus

63 Not classified elsewhere

— Not Available

CONSUMER
EXPENDITURES
STUDY

AUTOMOTIVE SUPPLIES

Most supermarket retailers stayed out of the fast lane in automotive supplies last year. Some manufacturers say that those with ample space are missing out on good sales opportunities.

There's plenty of *vroom* to move in auto supplies, but most supermarkets, rather than accelerating their sales, preferred to stay out of the fast lane last year.

Most supermarkets are missing an opportunity to increase their share of the market, manufacturers say. They point to the continued proliferation of the super store, with a greater selling space and one-stop shopping concept, and the increasing number of male grocery shoppers as two factors in the equation.

Yet while the total auto supplies market grew 8.1 percent in 1984 on sales of $1.94 billion, supermarkets saw their total skid 6.2 percent on sales of $306 million, down from '83's $326 million, according to the 1985 SUPERMARKET BUSINESS Consumer Expenditures Study.

Sales gains

With the exception of supermarkets, aftermarket retailers experienced a 14 to 15 percent gain in sales of chemicals, waxes, wiper blades and accessories in 1984, according to Steve Barbone, director of trade association activities for the Motor and Equipment Manufacturers Association.

All categories except additives showed sales gains in other retail outlets, yet only waxes and polishes increased in sales at supermarkets.

"It could be either the market share was taken by other outlets, or supermarkets decided to cut back on their shelf space," Barbone says. "Outside competition could be a part of the problem. There's been a big increase in recent years of automotive retail outlets."

Barbone notes that 61 percent of motor oil is bought by do-it-yourselfers, and it is perhaps in this category that supermarket sales could have the most significant sales gains. And the recent introduction of plastic, funnel-topped containers may hasten that growth. Retailers can clean up with the new packaging precisely because their customers and help don't have to.

Seepage problem

"I don't want my lettuce to sop up oil at the checkout counter," says Bernie Henderson, a spokesman for Quaker State, in reference to the tendency of older, composite cans to leak.

Since the new plastic cans don't have the seepage problems, it's safer to put them near food, he contends. Quaker State, the first manufacturer to replace its entire oil line with the new cans, has gained six percent in market share, Henderson says, and he attributes the popularity of the products to their cleanliness and resealability.

Quaker State hopes to expand its sales this year with

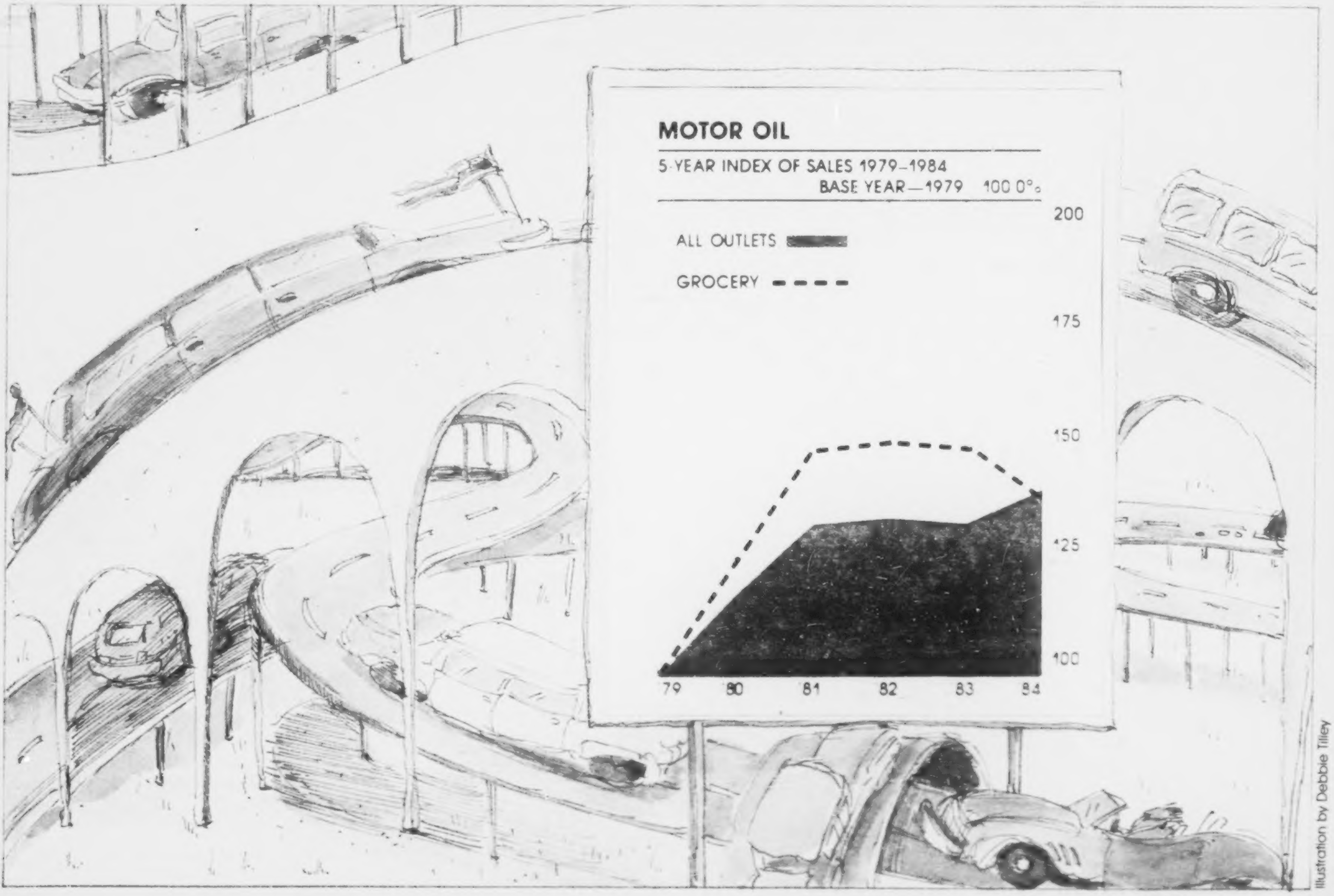

Illustration by Debbie Tilley

Often, automotive product shelf space management studies suggest a reduction in the number of brands of a given item.

its PLAN-Q-GRAM, a variation on the conventional planogram that was developed in small chains and is now being tested by The Kroger Co. (Cincinnati, Ohio). The system lets retailers know the optimum sales mix of each product line in the category rather than simply giving planogram data for the section as a whole. It calculates the most efficient selection by using data on turns and profit per individual item.

Often, these shelf space management studies suggest a reduction in the number of brands of a given item. In one of the early market tests, the PLAN-Q-GRAM showed that a grocer would be better off reducing the number of brands of oil filters in his store from six or seven to two: Quaker State (surprise), and Fram, because it was and is the No. 1 seller in the nation.

"That shows we're unbiased about recommending No. 1," Henderson says. It's too early to determine the results, even from the tests, but he expects Quaker State's planogram will be offered to a variety of supermarkets.

With reservations

While Quaker State is enthusiastic about expanding sales of motor oil and its other products in supermarkets, Valvoline is not. "It is a relatively small segment of the market. We'll take the business, but it's not an area of business for tremendous growth potential," says Jim Butler, a spokesman for Ashland Oil, Valvoline's parent company.

Joe Smith, automotive buyer for Mass Merchandisers of Harrison, Ark., the automotive supplier for supermarkets in 35 states, reports that he's encouraged by the potential for growth in car supplies at supermarkets. Polishes and waxes were the only category to see gains in supermarkets last year, up 3.8 percent, but Smith says that growth for these items was lower than in previous years. He adds that wax manufacturers are at a loss for an explanation of that slowdown.

The summer months have been good times for sales promotions of auto products at Mass Merchandisers. Smith says the company ran ads for grocers for Triple Wax by Turtle Wax on Memorial Day and the 4th of July that were successful. The rebate coupons offered instore by wax companies have also added sales in supermarkets.

Although it has market penetration primarily in the Northeast, Southeast and Southwest, Amalie Refining Co., a division of Witco Chemical Corp., does not intend to let supermarket sales pass it by. The company has just begun distributing its line of motor oil in a new plastic, funnel-topped container, named the "FUN-L-FIL," which refers to the package's unique extended, ribbed neck, which the company claims provides an even flow when poured and also prevents spills. The bottle's rectangular shape makes handling easier and takes up 32 percent less shelf space, the company adds.

"We are strongest supermarket-wise in Texas," says Don Wylie, manager of advertising and promotions for Amalie. "Sales there have been very good, and we're striving to establish ourselves in other markets." The company enjoys a good reputation in auto supply houses in the Northeast, Wylie notes, and hopes to parlay that success into increased supermarket sales.

The benefits of the package

"We feel very strongly that this package is the most attractive and useful package that has come out," he continues. "Housewives doing the supermarket shopping and single-person household shoppers can really see the benefits of the package."

Burmah-Castrol Inc., marketer of Castrol products, is also counting on increasing its supermarket share, but through a promotion that began in August and runs through November. "The Castrol Money-Back 12 Pack" is unusual in that it offers the consumer $45 in rebates for 16 automotive supply products made by *other* manufacturers. Since the booklet is packaged in a 12-package case of motor oil, the promotion will run only in supermarkets large enough to carry case displays of auto supplies.

"We're still aggressively pursuing the supermarket business," says Steve Ilovichny, sales control manager at Castrol. He estimates that the company's sales there have increased 10 percent over the last year, but admits that few chains have the space or the willingness to put cases of motor oil on display. For the majority, Castrol markets its line with individual can displays.

"In all honesty, the growth there will probably remain static," he continues. "The real growth came a few years ago. Most of the major supermarkets are handling auto supplies already, and I don't think we're going to see an increase in space in the supermarkets." Castrol is banking on its eventual shift to plastic funnel cans to increase its supermarket presence, and has also moved from a 24-pack case to a more manageable 12-pack.

Ilovichny sees some manufacturers' enchantment with rebates as having a deleterious effect on sales, and hopes the practice will subside. "It destroys the marketplace to have this misleading of the consumer. But retailers like it, and that's what draws the customers.

"It's misleading in that the customer sees these big signs that say, 'Oil—49 cents with rebate,' but when the customer gets to the checkout he realizes that that's the price *after* he mails in the coupon. It gives the consumer an artificial value of what the oil costs, and we're trying to make it so the retailers can make money and not have to lowball the price of oil."

A spokesman for Mobil Oil Corp. notes his company has a much smaller market share than Quaker State to begin with, and the company's problems with gaining a larger supermarket presence are compounded with the chains' reluctance to accept oil company's planograms. But he adds that Mobil's sales have improved in the last year through a continuous price reduction.

Involvement is low-key

And what of the supermarkets? Retailers who agreed to talk say their involvement in the category remains, for the most part, low-key. Sure, the Safeways of the world market and merchandise private label auto supplies, but for every Safeway there is a Dominick's Finer Foods, Inc. (Northlake, Ill.), which sells auto supplies and accessories in only 34 of its 81 stores, in sections ranging from four to eight feet.

"New stores have more room for nonfoods and general merchandise, so we have added the products there," says a Dominick's spokesman.

Then there is Food Lion, Inc.

Continued on page 183

CONSUMER
EXPENDITURES
STUDY

BABY NEEDS

A healthy number of babies needing to be clothed and fed has kept the sales figures for baby needs good. Most retailers feel, however, that manufacturers provide too little ad or promotional support.

Baby products, both food and nonfood, must rank as the supermarket industry's most predictable category. What is remarkable is that the fortunes of supermarket chains and manufacturers of baby needs seem almost totally determined by tiny, bald people, most of whom can neither walk to a supermarket store or voice their preferences for food, clothing or supplies.

Baby product sales, and manufacturer marketing attitudes, appear to be in direct proportion to the number of babies that need feeding and caring, according to supermarket buyers across the country. To a lesser extent current accepted medical attitudes toward such matters as breast feeding and the proper age for the commencement of solid foods play a role in sales, but for the most part supermarket shelf space expands and contracts with the rising and falling volume of babies. At present, buyers say, there are a healthy number of babies to be fed and cared for.

Buying patterns among parents tend to be very conservative, however, and there is little competition in the industry, with the exception of disposable diapers. Gerber remains number one by a mile despite Heinz's recent attempt to crack the market with a line of instant foods.

Little ad support

According to supermarket representatives, baby food manufacturers seem to take the attitude that if there are babies out there, someone will have to buy the product, and consequently they provide little advertising or promotional support.

"Over the last three decades the baby boom meant lots of shelf space for baby products. Then there was a decline in the number of babies. Five years ago we started expanding some of our departments because demand has increased again," said Bill Vitulli, a vice president at A&P (Montvale, N.J.). Vitulli is optimistic about future sales of baby products in the company's 1,090 stores.

"We see the growth trend continuing, particularly in the health and beauty product area. These products are now competitively priced and it is consistent with the trends towards one-stop shopping," he said.

In regards to Heinz's new line of instant foods the A&P representative says it is too early to tell what will happen.

A spokesman for Shop-Rite, another major chain for the east coast, also says it is too early to be sure but is doubtful whether consumers will flock to Heinz. The new line has not measured up to the company's hopes in the East, at least in Shop-Rite's 190 stores, although

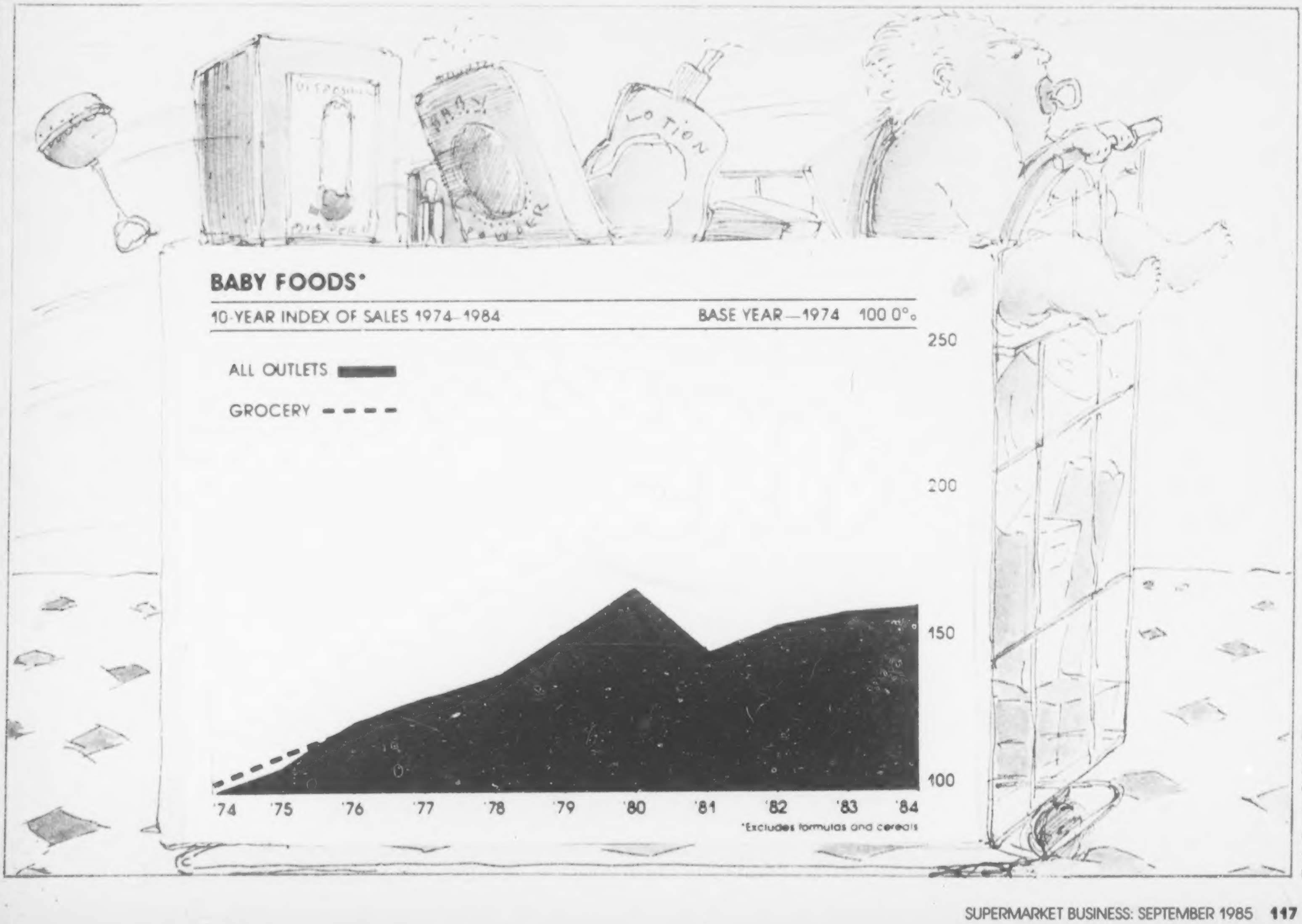

Illustration by Debbie Tilley

Gerber has responded to a trend towards extending the length of time a baby will consume baby foods with its line of chunky foods for toddlers.

it has done better in Western states.

"Gerber is the leader and that's always going to be the case," said John Watson, a buyer for Harris-Teeter Super Markets, based in Charlotte, N.C. While shelf space is not expanding in the baby departments of his company's stores, Watson said sales are good across the board. "People are buying it all," he commented. Heinz, however, has not caught on here either.

Farther west the story is the same. "Gerber is number one and will be hard to unseat," said Ron Lyne, buyer/merchandiser for Dillon Companies (Hutchinson, Kan.), which operates more than 500 stores, both supermarket and convenience. Consumption patterns have changed little, Lyne said, which may account for the difficulty Heinz is having. "Sales of the Heinz Instant have been barely fair," he said, noting that the concept is contrary to all public feeding ideas. People don't want powdered baby foods, he said.

Dillon operates stores in Arizona, Arkansas, California, Colorado, Iowa, Kansas, Louisiana, Missouri, Nebraska, Oklahoma, Utah and Wyoming.

Hy-Vee Food Stores (Chariton, Iowa), with 122 midwestern outlets, has seen the same buying patterns. "The market is growing a little but on the whole things are pretty stable, for food and nonfood items," said Jim Adams, a company buyer.

Nonfood baby products have experienced somewhat more movement, according to many supermarket buyers. This is perhaps due to higher promotional expenditures on the part of manufacturers in comparison to what is spent on advertising baby foods, they say. ShopRite, for example, like A&P, looks for the nonfoods area to remain strong. Good sales are reflected in the additional space allotted to such brands as Johnson & Johnson, Mennen and Playtex in the company's newer stores. The total baby category, according to company representatives, has been one of growth, a growth that started substantially five years ago.

Advertising and promotional support from manufacturers for baby foods has been virtually non-existent, say supermarket buyers, but none seem too surprised. It is a fixed and captive market, they believe, and much of the manufacturers' promotional budgets may be going to other sources.

"There is little promotion other than what we do ourselves," said Vitulli of A&P.

"Advertising? Forget that. If you have a baby, it has to be fed. There's no need for advertising or promotional support," added John Watson, of Harris-Teeter.

"There is no advertising support. It may be that the focus of manufacturer advertising spending is on hospitals rather than supermarkets," commented Dillon Companies' Lyne.

Comfortable, perhaps, with its position as leader, Gerber Products, based in Fremont, Mich., has no major breakthroughs planned for the coming months. The company now offers 168 products in a variety of juices, cereals and jarred meats, vegetables, fruits and

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Orajel—the top selling line

desserts, which represent a 70 percent market share, according to Gerber spokesman John Whitlock.

"We don't have anything really new," he said. "We will continue, as we have in the past, to offer the finest quality baby foods."

Cyclical buying patterns

Buying patterns in the baby food market tend to be cyclical, according to Whitlock, depending on how the accepted methods of child rearing change with time. "Breast feeding has a tremendous impact. For a while doctors recommended a delay in feeding solid foods until after six months. Now the recommended start is between three-and-a half months and six months," he said. That, of course, means greater consumption of baby food products.

Gerber has also responded to a trend towards extending the length of time a baby will consume baby foods with its line of chunky foods for toddlers, according to Whitlock.

Recently, in the area of disposable diapers, manufacturers have shown considerably more activity. Consumer advertising has been heavy as Procter & Gamble and Kimberly-Clark battle for supremacy in the field.

So far, Kimberly-Clark's Huggies seem to have made faster gains in the category. Recently the company's chairman and chief executive officer, Darwin E. Smith, speaking before the New York Society of Securities Analysts, announced that the company claimed a 25 percent market share in the disposable diaper industry, up from 12 percent in 1982.

Enviable position

"We maintain an enviable position with consumers," he noted. The company predicts a 30 percent share by the end of 1985 and strong second quarter figures, according to the company, indicate strong unit sales volume growth.

Procter & Gamble, meanwhile, has not abandoned the fight. The company has now upgraded its Pampers brand in an effort to take on Huggies bottom to bottom, so to speak, and is spending considerable resources to promote the product nationally.

The results are not in because the new Pampers, and its promotional campaign, are just getting under way, but supermarket buyers are watching closely. In the meantime, many report that their private label sales, which nationally account for a considerable percent of the total volume sales of disposable diapers, are doing well. ■

—BOB MILLER

WHERE THE 1984 GM* SALES INCREASE CAME FROM

RANK	CATEGORY	SALES INCREASE OVER 1983 (000)	% OF TOTAL GAIN
1	Magazines & Newspapers	70,520	20.53
2	Women's Hosiery	63,079	18.36
3	Photo Supplies & Processing	56,343	16.40
4	Greeting Cards	54,203	15.78
5	Flashlights & Batteries	43,458	12.65
6	Toys	13,124	3.82
7	Housewares	9,630	2.80
8	Stationery	5,957	1.73
9	Disposable Cigarette Lighters	5,265	1.53
10	Men's Hosiery	4,848	1.41
11	Vacuum Bottles & Jugs	4,392	1.28
12	Pet Accessories	4,092	1.19
13	Writing Implements	3,438	1.00
14	Sunglasses	2,820	0.82
15	Playing Cards	1,474	0.43
16	Shoe Laces	928	0.27
		343,571	100.00%

*Excludes HBA's

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Pain due to braces
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orajel brace-aid oral anesthetic GEL
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Mouth & Lip Sores
Canker, Gum & Cold Sores
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CONSUMER EXPENDITURES STUDY

BAKED GOODS

The instore bakery today is a keystone of virtually every new supermarket, regardless of format. As a result, sales of commercial baked products are slipping.

"It's war out there," is the way one veteran marketer of commercial baked goods describes a department of the supermarket that historically has been associated more closely with concord than conflict.

Dispatches from the front cite the following battlegrounds as being particularly active:

☐ Instores continue to seize territory—both store space and sales—from commercial baked goods.

☐ Sweet goods (often seen as particularly defenseless in the face of instore competition) try to hold their share of the baked goods rack against breads and rolls.

☐ White bread, shell-shocked from a 20-year war during which it sustained ever-shrinking market share, continues to struggle against trendier variety breads.

☐ And within the bread section, private labels and premiums trade firepower.

Invasion of the instores

Once a novelty that few commercial baked goods suppliers took seriously, the instore bakery today is a keystone of virtually every new supermarket regardless of format. "A $200,000-a-week store should, by rule of thumb, have sales of commercial baked of about 6 or 7 percent," says Frank Amoruso, director of sales for Quality Bakers of America (Greenwich, Conn.). "And *it will*—if there is no instore. But with an instore, that share can shrink to five, or four, or even three percent."

Along with sales, commercial baked goods are also losing space to instores. "In the large new format stores," says Joan Hoenninger, new products manager for Tastycake, Inc. (Philadelphia), "the commercial baked section often keeps the same number of feet it had in conventional stores, which means a smaller share of total store space."

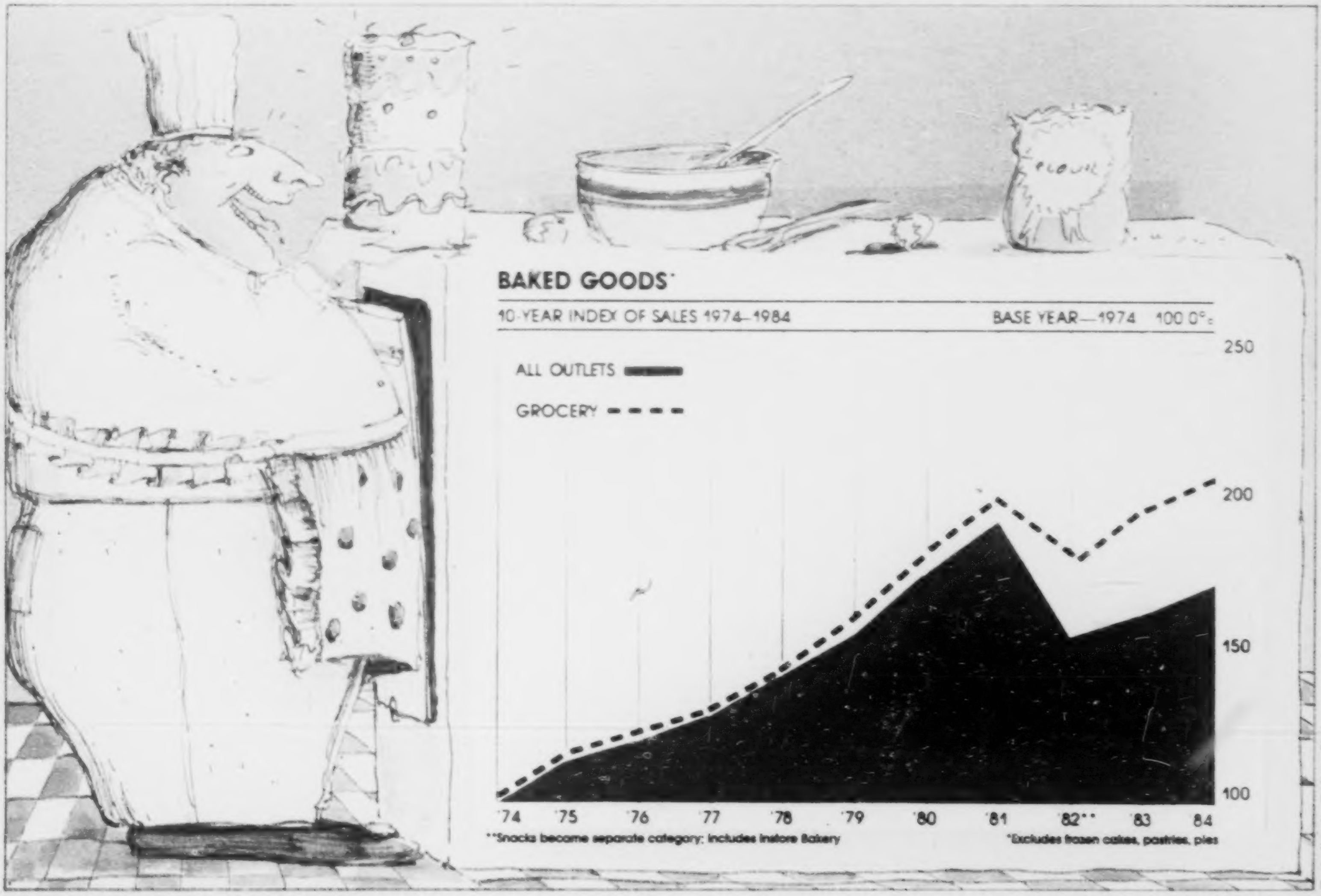
At Publix Super Markets (Lakeland, Fla.), Dean Ramus, direct store delivery products buyer and merchandiser, confirms that commercial is getting "basically the same footage (in larger new stores) as in smaller stores."

"It's not really because of instores," he explains. "It's because they already have all the room they need."

Following the same line of reasoning, a buyer at Pathmark Supermarkets (Woodbridge, N.J.) says that the company has not expanded footage in the commercial bakery aisle as stores have grown larger, but rather has tried to utilize that space better, partly through the use of scanning data.

Ending end-aisles

The advent of instores can also cause an attrition in commercial baked's *quality* of



**Snacks become separate category; includes Instore Bakery

*Excludes frozen cakes, pastries, pies

Illustration by Debbie Tilley

space. "In our stores that have a deli-bake operation," says David Polk, food service director at M&M Supermarkets (Savannah, Ga.), "we cut back on supplemental displays for commercial. Entenmann's, for example, does well on end-aisle displays, but we don't give it to them in our deli-bake stores. We put them on the shelf. And nobody gets table displays."

Not everybody, however, is tightening up on the space allocated to commercial baked. "This is a good healthy aisle," says Dick McGrath, buyer, Angelo's Supermarkets, Inc. (Rockland, Mass.). "We have no complaints, and have given the section more footage in our new, bigger stores."

Between the two major components of the commercial baked goods department—breads/rolls and sweet goods—which is more vulnerable to the fresh-baked lures of the instore? And, one might also ask, to concurrent shifts in consumer tastes?

Some clues can be lifted from the statistics in the most recently published Census of Manufacturers (1982), which traces consumption trends between 1977 and 1982:

Bread production (in pounds) dropped 1.4 percent. White bread sank to 37 percent of total poundage in 1982, down from 41 percent in 1977 and 48 percent in 1972. Production of whole wheat, cracked wheat, multigrain and other dark bread rose 54 percent between 1977 and 1982.

Bread-type rolls gained by 15 percent.

Sweet goods turned in a mixed performance, with snack cakes, "other pies" and cake doughnuts showing an increase in tonnage, while yeast doughnuts, other sweet yeast goods, fruit cake and snack pies showed a decrease. The major impact of instores, of course, has been felt in the years since 1982, the last year covered by the report, so for some lines a slow floating down of consumption may well have accelerated into a free fall.

The white stuff

Amoruso of Quality Bakers of America says, "I believe that instores take from the commercial racks in this order: first, sweet goods, especially doughnuts; then variety bread; and last, white bread. White bread is least vulnerable because the instore product is not extremely good quality compared to a well-made commercial bakery loaf. And it gets stale in 24 hours."

Some sweet goods lines are more resistant to instore competition than are others, according to Tastycake's Hoenninger. "Our snack cakes are affected more than our individual-serving-size pies. The instore doesn't offer anything like individually wrapped pies that people can eat away from home."

M&M has an embargo against sweet goods that compete directly with instore. "One manufacturer of doughnuts used to have a six-foot table of filled and glazed doughnuts in our stores," David Polk recalls. "But we've killed their line in our stores with bakeries. Why sell a dozen of their doughnuts at a 15 percent markup if it drastically hurts the sale of our instore items with a 50 percent markup. With our deli-bake, we look at which *lines* of commercial baked should be cut."

Publix espouses a similar philosophy. "Years ago," says Ramus, "the commercial baker brought in Danish and pastries—but no more. It's strictly bread now, except for the Entenmann's line."

At General Foods, Entenmann's home base, Trecie Fennell, a spokesman, claims, "Only a small percentage of chains have cut back on space, or moved us to the back of an instore. Most chains are positioning to increase the sale of the total baked category."

Bread lines

Whether instores draw more customers away from private label or from premium commercial baked bread is, according to Jerry Pinney, vice president, marketing, IGA, Inc (Chicago), "a question of pricing philosophy."

"Where you see a store that's ignoring labor costs and footballing their instore breads for, say, three or five loaves for a dollar, you can be sure it's hurting private label. But stores that say 'no, we're good bakers with

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NEW
STORE'N COOK
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CONSUMER EXPENDITURES STUDY

BEER

Expansion and segmentation seemed to be the name of the game in the beer business, as brewers continued to seek new products and line extensions that might appeal to Americans.

"The worst beer I ever had was wonderful," best-selling author Robert B. Parker's beer-quaffing detective hero, Spenser, says in the mystery novel *Mortal Stakes*. While Spenser's preferences run from domestic Rolling Rock (in long-necked bottles, of course) to imported and rare Steinlager from New Zealand, his enthusiasm really is for anything made from barley, hops and yeast.

This same enthusiasm seems shared by both domestic and foreign brewers, despite a year of minimal achievement in the beer business. Expansion and segmentation seem to be the name of their game, as brewers seek new products and line extensions that might appeal to Americans and find a comfortable niche on supermarket shelves.

G. Heileman Brewing Co., Inc. (La Crosse, Wis.), for example, lost market share last year, decreasing from 9.8 percent of the nation's domestic beer market in 1983 to 9.4 percent in 1984. In an effort to expand its range of offerings and the breadth of the company's appeal, Heileman agreed to become the sole U.S. importer of the full line of Hacker-Pschorr beers from West Germany.

This agreement represents a significant step in the company's efforts to become a national brewer, according to Russell G. Cleary, chairman of Heileman. "The key is in covering the full spectrum," Cleary said, noting that Heileman's "real powers are with the regionals," beers such as Lone Star and Old Style, which are found in specific areas of the country. "This gives us another segment of the market," he said.

A new brewery

Another example: Adolph Coors Co. (Golden, Colo.), which also lost a bit of domestic beer market share during 1984—dropping to 7.4 percent from 7.6 percent—announced this summer its agreement with Molson of Canada and Kaltenberg Castle of West Germany to establish "a new American brewery," Masters Brewing Company, which will launch a new brand before the end of the year.

This action does not signal a merger of the three companies, said Kevin Donnellon, a spokesman for Masters. Each brewery will continue to operate independently and compete against the other as well as against the new brewery. Further details were not available at presstime, and Donnellon would emphasize only that the new brand "will not be an imported beer."

In another development, Paul Kalmanovitz, a California-based brewing magnate and the chairman of S&P Co., purchased

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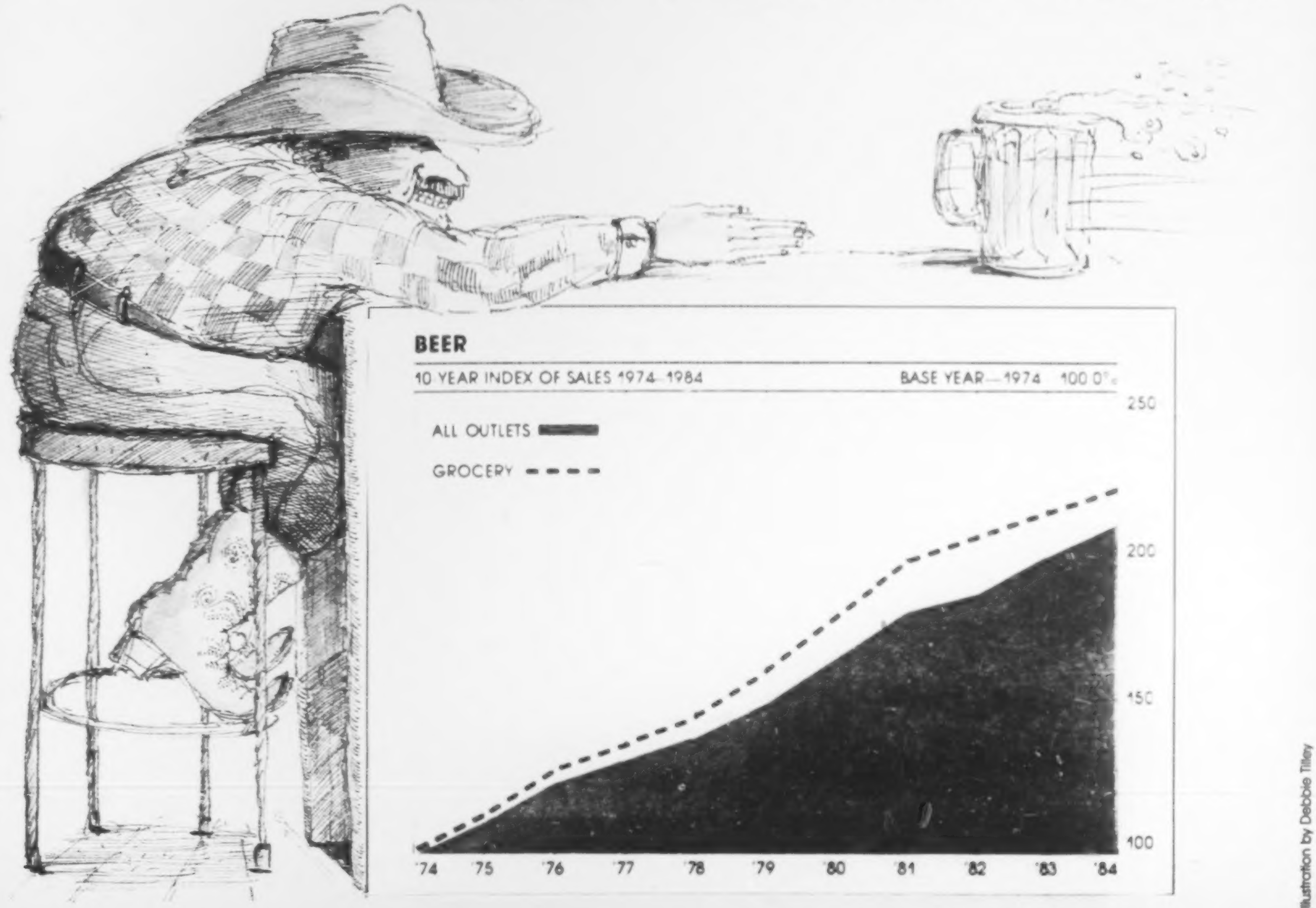

Illustration by Debbie Tilley

BEER

If the beer business itself isn't doing so hot, the product still sells very well at the supermarket. Beer purchased for off-premises consumption is rising at a faster rate than beer for on-premises consumption.

Continued from page 125

for about $63 million a controlling interest in Pabst Brewing Co. (Milwaukee, Wis.), an interest that likely will mean a dramatic change in the way that the brewery does business.

One source within Pabst said that the company's brands, which include the Pabst, Olympia and Hamms labels, would see their advertising support cut back to a minimum radio, print and billboard effort, and that every method is being used to cut back overhead and pare the company's expenses to the bone.

At least several hundred people have been laid off since the Kalmanovitz takeover, and Pabst's New Jersey brewery facilities were closed last April.

Multi-brand houses

Consolidation and segmentation are not unique to American companies. Kronenbourg U.S.A. (Greenwich, Conn.) is being disbanded, with Kronenbourg beer's American distribution shifted to Guinness-Harp Corporation (New York, N.Y.), distributor of Guinness Stout, Harp Lager, Bass Ale, Furstenberg and Asaki.

Robert J. Wilson, president of the soon-to-be defunct company, said the change was made because "in numbers there is strength. Guinness Harp is a multi-brand house, and the feeling seemed to be that they would increase the clout of Kronenbourg. It really is a matter of the European company wanting to reduce overhead and accelerate growth." (Wilson added that he expects the award-winning John Cleese commercials for Kronenbourg to remain intact despite the change in distributor.)

Ben Steinman, an industry observer, said that the moves by Heileman, Coors and Kronenbourg are to be expected in an industry in which "over a three-year period, business has been flat to down." Regarding the Pabst takeover by Kalmanovitz, he said that while the new ownership's austerity moves might not be positive for the long term health of Pabst's brands, it could be a good thing for other breweries because this strategy tends to cause a decline in production.

"Pabst won't be brewing as many barrels of beer," Steinman said, "which creates an opportunity. That barrellage will be up for grabs."

Companies are developing new relationships and brands, Steinman said, "because they are scrambling for alternatives. The beer industry, in terms of total business, isn't doing so hot."

If the beer business "isn't doing so hot," the supermarket beer business is not suffering as much as other purveyors of brew. The reason, according to both manufacturers and retailers, is that increased awareness of the dangers of drunk driving and the nationwide temperance movement that has stimulated the raising of drinking ages in many states have combined to get people to drink at home rather than in taverns and restaurants.

Thus, beer purchased for off-premises consumption is rising at a faster rate than beer for on-premises consumption, the growth of which is so small as to be insignificant.

And, within the supermarket's beer cases are still two bright spots: light beers and imported brands. While the overall category's increases of 1984 and those projected for 1985 are not expected to come close to the huge gains of about a decade ago, industry experts suggested that life style trends in the U.S. emphasizing youth, physical fitness and sophistication continue to prime the pump for these two segments within the category.

Beer coolers

It remains too early to tell exactly what impact the new beer cooler segment (beer with citrus flavoring) will have on the overall category, but retailers and manufacturers appear in agreement on the appeal of low alcohol beer and non-alcohol beer—consumers seem to believe that, at least in this case, that none is better than a little.

Low alcohol beers, such as Anheuser Busch's LA and Stroh's Schaefer LA, are given low marks by manufacturers, who admit they have not performed up to expectations, as well as by retailers. One chain buyer said that as long as low alcohol beers remain of relatively unknown origin, they will continue to perform weakly.

"The category won't grow until they use a more familiar name," such as Budweiser or Michelob for a low alcohol offering, the buyer said. One manufacturer acknowledged this, and observed that light beers, which have less alcohol than regular beers, managed to be a success by not stressing their alcohol content.

Beyond expectations

No-alcohol beers, on the other hand, seem to have some appeal for brewers, as one importer, Guinness-Harp Corporation, introduces Kaliber to 35 of the nation's top markets this fall. In the beer cooler segment, there are numerous new versions, such as Colorado Chiller from Coors, White Mountain Cooler from Stroh, and both La Croix Malt Cooler and Country Cooler from Heileman. At Stroh, at least, the word is that its offering "is performing way beyond expectations."

Beer purchased for home consumption was a $12.4 billion business in 1984, according to the SUPERMARKET BUSINESS Consumer Expenditures Study, with about $11.5 billion, or 93 percent, of that spent in the nation's grocery stores.

Overall, beer bought for home consumption in the U.S. saw sales increase by 4.7 percent from 1983's $11.9 billion figure, while the sales figures in grocery stores showed a larger increase, 5.2 percent, from 1983's $10.9 billion. Since 1975, beer sales in grocery stores have expanded by a total of 121.8 percent, somewhat higher than the expansion of 107.4 percent in overall outlets.

Light-headed sales

The approximate five percent growth in beer sales in the United States does not reflect what is happening in certain categories, however. Light beers, according to industry experts, continue to expand in popularity at an annual rate approaching 16 percent. Miller Lite, the pioneer in the segment and the brand with some 53 percent of the total light beer sales, remains the nation's second best-selling beer (after Budweiser, from Anheuser Busch).

The imported beer market also continues to grow, at a 15.5 percent annual rate, roughly three times that of the overall category. This rate is what prompts domestic brewers like Heileman to jump into the imported beer business, but it also elicits some caustic reactions from other domestic brewers.

"Sure, imports get a lot of play, even among the chains we call on," said one brewer. "They

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CONSUMER EXPENDITURES STUDY

CANDY

Things are sweet in the candy category, where the dollar sales increases continue to surge.

Things are sweet in the confectionary category, where the dollar sales increase for 1984 was double that of 1983. The chocolate bar wars continue to wage fierce, but none of the previous year's top 10 sellers showed signs of melting under the heat.

The chocolate category as a whole had a strong year, and remains the favorite candy purchase of shoppers with a sweet tooth. According to SUPERMARKET BUSINESS Consumer Expenditures Study figures, chocolate bar sales in grocery stores grew a healthy 8.6 percent. Packaged chocolates increased 6.1 percent, and candy-covered chocolates 7.8 percent. Total sales of chocolate candy in grocery stores amounted to $1.1 billion in 1984.

But it's the gummi bear and gummi type take-offs that show signs of being the hot, up-and-coming new item. Gummi bears, originally a gourmet item imported from West Germany by Haribo of America, Inc. (Baltimore), are invading this country and making a successful transition from specialty item to universal distribution.

A dozen or more companies have jumped on the bandwagon and, while consumers initially may have been bullish on bears, their choices are not so limited these days. Manufacturers have contorted the gummi product into shapes ranging from fish to squiggly worms. And consumers are falling for them hook, line and sinker.

With nearly 20 different shapes available, ranging from fruit to dolphins, the bulk of sales continue to be in the familiar form of bears, although fish and worms are coming on. And the chewy candy continues to be primarily imported from European countries such as West Germany, Austria and Holland.

The gummi bears began making inroads in this country four or five years ago, after 18 years on the market. Bob Cappelmann of C&J Willenborg (Ramsey, N.J.), a distributor of packaged and bulk gummi products, says that whereas the distribution of these items was once wholly to specialty stores and gourmet candy shops, the candy is now big in drugstores and supermarkets.

Mushrooming

In fact, the last year or two has seen a veritable mushrooming of the category, according to Sam Edwards of Allfood, Inc. (Riverton, N.J.), distributor of bulk gummi items. "It's phenomenal. The gummi bears are without a doubt the biggest thing happening in non-chocolate candy today. And it's going to get bigger still. In supermarkets, gummi bears are doing

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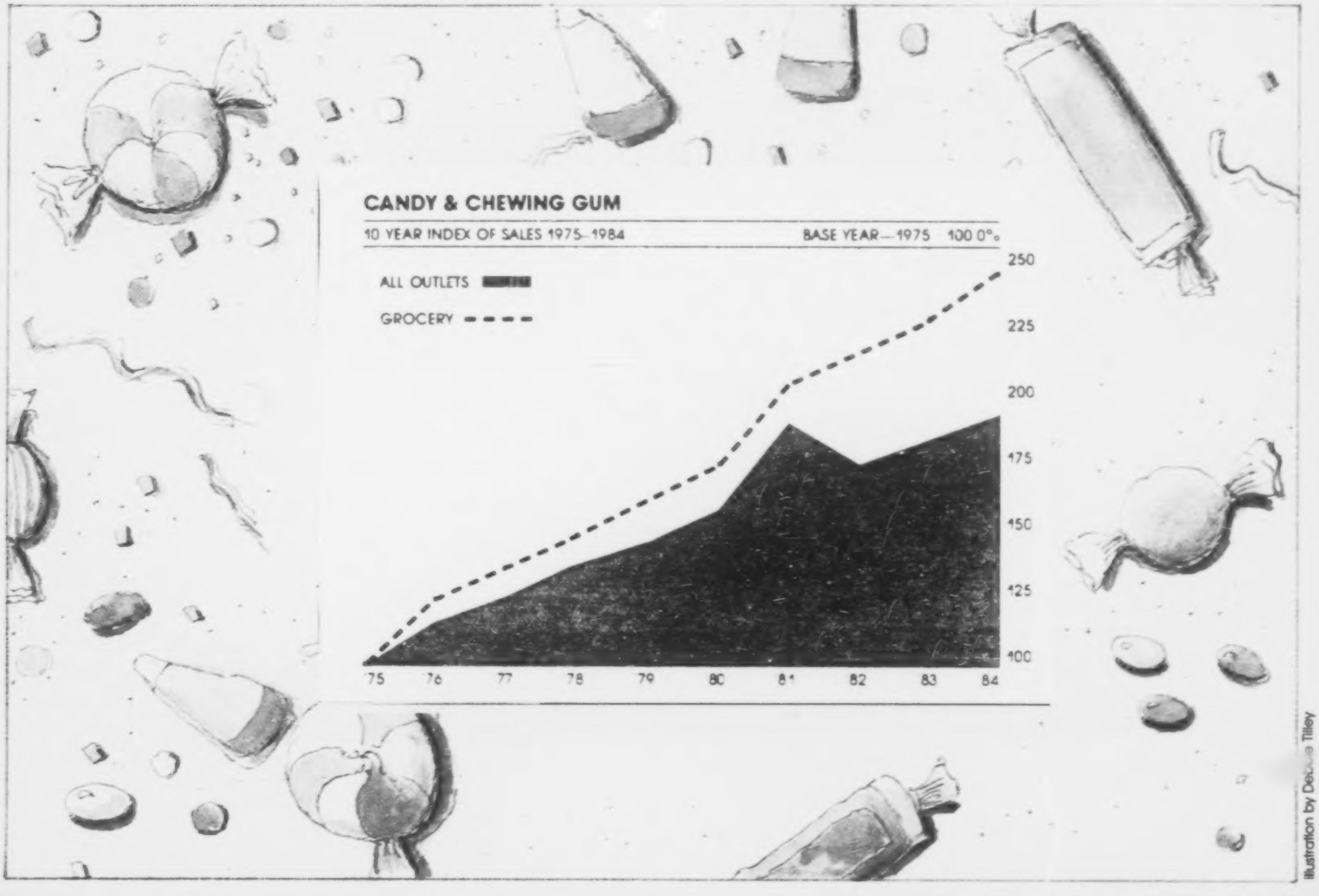

CANDY & CHEWING GUM

10 YEAR INDEX OF SALES 1975–1984 BASE YEAR—1975 100.0%

Illustration by Debbie Tilley

CONSUMER EXPENDITURES STUDY

CANNED GOODS

Flat sales of canned goods have sent manufacturers scurrying to find new products and packaging, and even new markets.

With even the no-salt, low-sugar products attracting only faint interest, flat sales of canned goods have sent manufacturers scurrying to find new products and packaging, and even new markets, while they try to win the consumer back from fresh produce with expensive educational and advertising campaigns.

Customers are still buying canned fruits and vegetables, particularly those used as ingredients for cooking, but they're buying them in smaller quantities and in smaller sizes, say supermarket officials, who have had to reduce shelf space or reallocate it to meet a shifting demand.

Poor growing conditions in recent years have also played havoc with quantity and availability of many items, thus preventing some of the bigger chains from doing the heavy promotion to stimulate sales.

"They're buying it all, but sales are flat," said Johnny McDade, a buyer for Piggly Wiggly Southern, with 82 stores in Georgia. Which more or less sums up what's happening in canned goods; people are buying but there is little growth, or decline, in anything.

Price a big factor

"People have gone to smaller canned fruits, due to expense. Price has been a big factor. Vegetables, except for peas, which have declined, are steady. We offer no-salt products as an alternative but they've never become volume-type items," said Marilyn Heyde, grocery buyer for Kohl's Food Stores (Milwaukee), a chain of more than 50 stores.

Heyde noted that consumers are buying smaller sizes of fruits and that the variety of product in that area has been considerably reduced in her company's stores. "Because tomato products have done well we've taken space away from other vegetables," she added.

Farther west the story is pretty much the same. "Vegetables are pretty stable, with few new products. The items that move are the basics and those on sale," said Dina Mathews, grocery buyer for The Cullum Companies (Dallas), which operates 120 stores in Arkansas, California, Iowa, Kansas, Missouri, Nebraska, South Dakota and Texas. John Gabriel, also of Cullum, reiterated Heyde's observation that tomato products are stronger than most canned goods, probably because most are used as cooking ingredients rather than prepared foods. Here too, however, the smaller sizes, the eight-ounce tomato sauce, are the best sellers.

Little movement

In canned fruits Mathews

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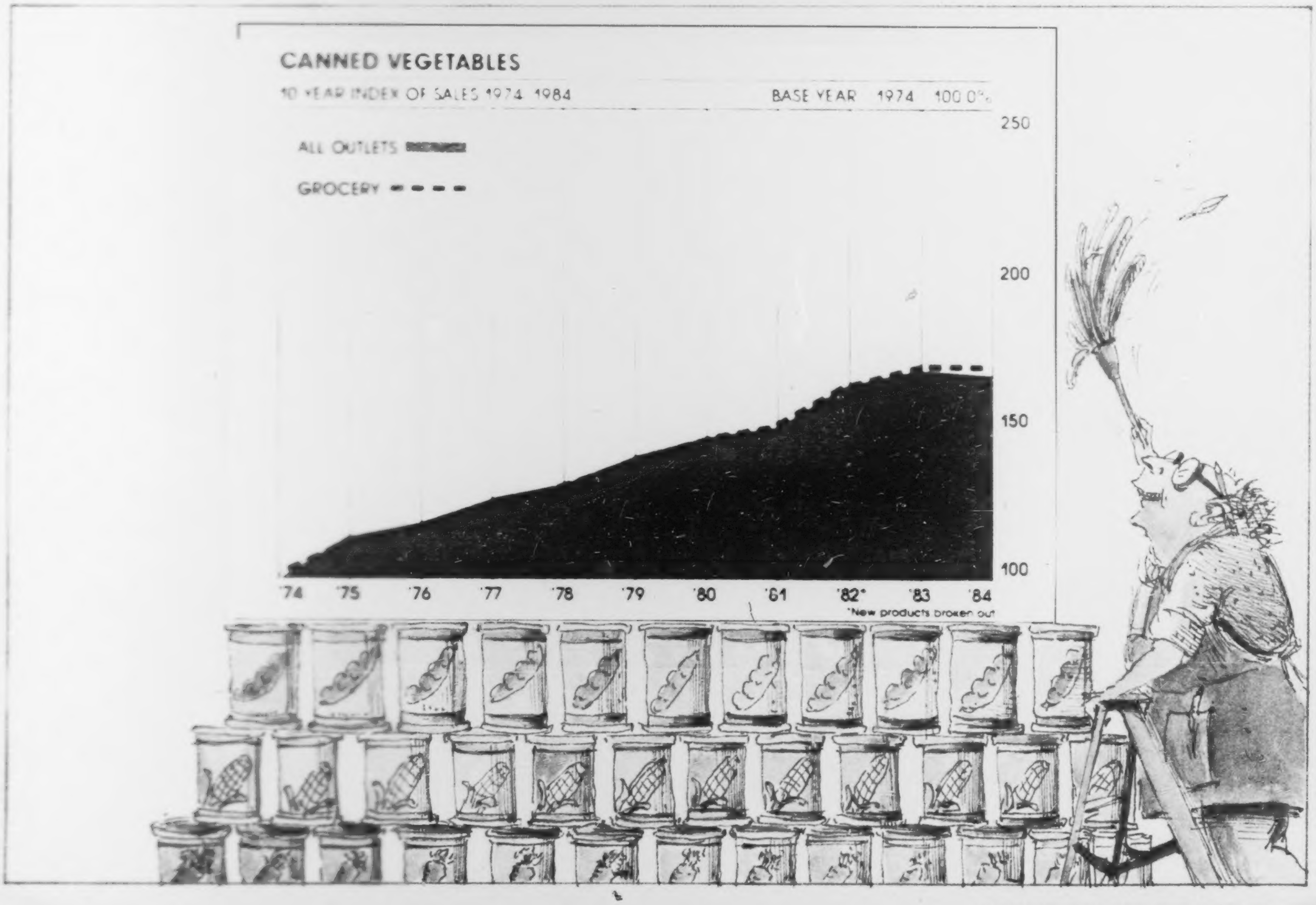

Illustration by Debbie Tilley

CONSUMER
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CEREAL

It was a year that belonged to Kellogg, as the company used the last 12 months to regain market share. Cereals as a whole have grown in sales over the last couple of years.

It was, according to retailers, analysts and competitors alike, a year that belonged to Kellogg.

The Battle Creek, Mich.-based company used the last 12 months to regain face and market share; while there never was any doubt that Kellogg remained the top cereal manufacturer in the country, its market share had eroded in recent years, the result of intensified competition in the category.

But no more. Kellogg managed a rejuvenation that pushed its market share from a low of approximately 37 percent to a current 42 percent, and experts say this can be attributed to a two-part strategy: a dramatic upturn in Kellogg's promotional support for its products and an aggressive product introduction schedule. Especially during the past year, that promotional support seemed to make the difference.

"They did one hell of a job," said Leonard Teitelbaum, a vice president and analyst with the New York City brokerage firm, Merrill Lynch. "They took market share from General Mills and a lot from General Foods. And, according to my information, they did so across the board."

Victims' strategy no surprise

Indeed, most observers agreed that General Foods' Post cereals division, based in White Plains, N.Y., and the Minneapolis-based General Mills were the biggest victims of Kellogg's new strategy. "Of course, that's no surprise," said William B. McKnight, president of the grocery division, which is based in Parsippany, N.J. "General Foods and General Mills had a lot more to lose."

Trecie Fennell, a spokesman for General Foods, said that the Post division does not view its fortunes in the same way as those who feel that the company was on the losing end last year. "Post feels it had a good year," she said. "They feel they met, and in some cases exceeded, their objectives." But Fennell would go no further; anything more specific, she said, would be proprietary information.

Industry sources say that in the battle for market share, the major companies currently occupy the following positions: Kellogg, with 42 percent; General Mills, 20 percent; General Foods, about 19 percent; Quaker Oats (Chicago, Ill.), eight percent; Ralston-Purina (St. Louis, Mo.), seven percent, and Nabisco six percent.

Making these market shares more significant is the fact that the breakfast food market overall had a smashing year in 1984, according to retailers. Breakfast food is a $5 billion business, with grocery stores providing $4.7 billion, or some 95 percent,

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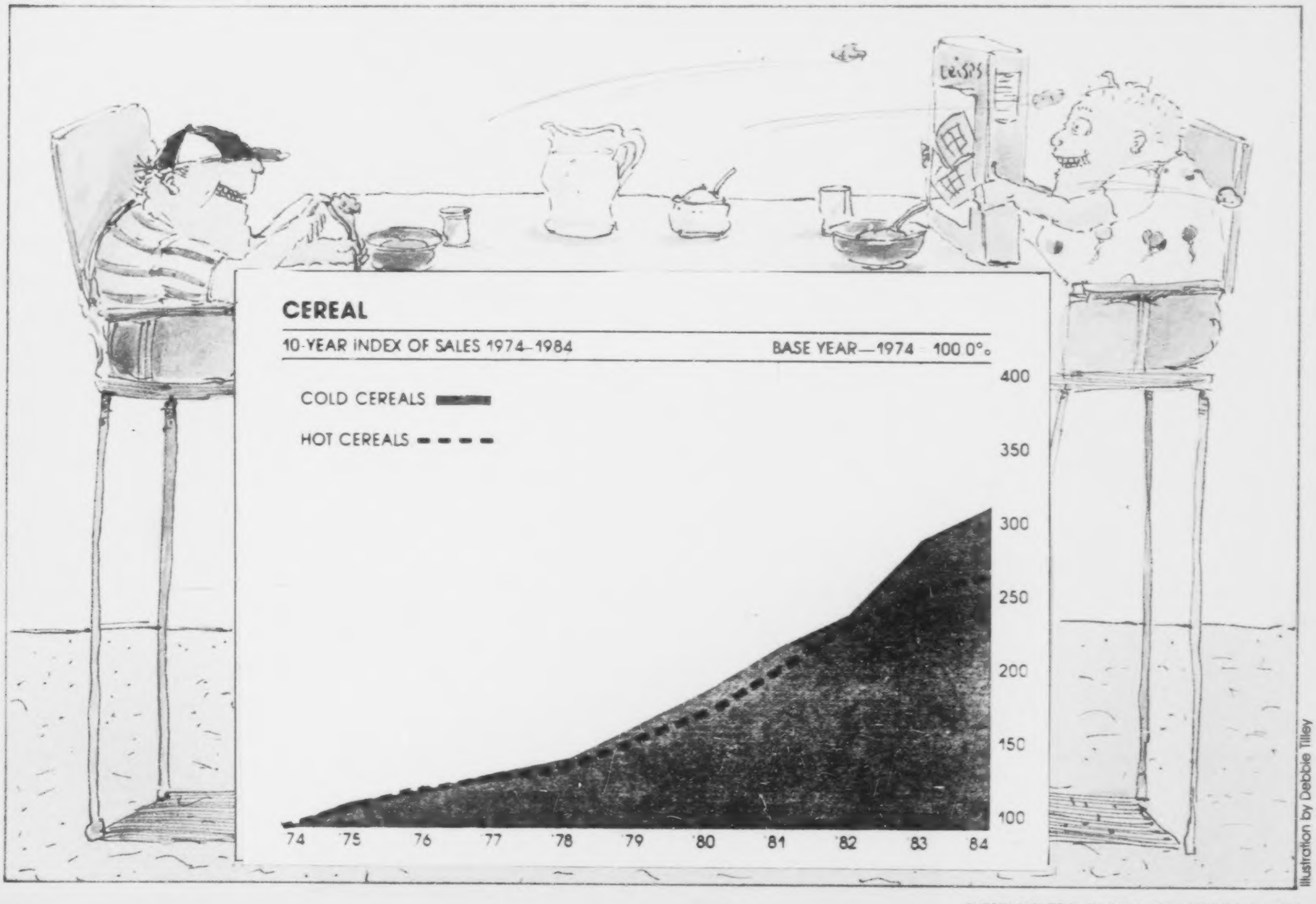

Illustration by Debbie Tilley

CEREAL

One trend that seems to be emerging: cereals based on movie and television characters will be introduced far less often in the future. The products have not fared well.

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of that business. This represents a significant increase over the previous year's sales, which hovered in the $4 billion range.

Kellogg's aggressiveness

Merrill Lynch's Teitelbaum said that Kellogg's aggressiveness can be linked to its inability to grow through acquisitions during the past decade. "Kellogg had looked for an awfully long time for an acquisition, but couldn't find any that met their internal goals for growth or were the right price," he said. Facing that, the company decided to push itself into even greater dominance in the area it understood better than any other: cereals.

"One might have said two years ago that (cereals) were a one or two percent growth business, perhaps a little faster than the growth of the population," Teitelbaum said. He noted, however, that a shift in demographics has benefited cereal manufacturers tremendously. The U.S. has more old people and young people than ever before—and those are the people who eat cereals. "Each segment eats cereals, and each eats for different reasons," Teitelbaum said.

Children's cereals and adult cereals each experienced specific kinds of growth, retailers said. In the case of products designed and marketed for the young, manufacturers moved away from some of the pre-sweetened cereals and character-dominated products of the past, and toward what might be called "classic" products such as corn flakes. Among the older generation, bran and fiber cereals were all the rage.

Kellogg, of course, finds any discussion of fiber-based cereal popularity to be a trifle amusing. Bran cereals are at the very root of the company's existence, says Richard E. Lovell, a spokesman for Kellogg. All Bran, which has generated some controversy during the past year in its reference to fiber as a potential help in the battle against cancer, is viewed almost as a new product, yet has been around since 1916; Raisin Bran, one of Kellogg's biggest sellers, has a similar history. The company's most recent bran-based product is Fruitful Bran, which was introduced in 1983 and was reformulated this year with the addition of peaches.

"There just has been an increase in people's knowledge about good nutrition and health," Lovell said, "and we are well targeted to these trends."

New product introductions

Indications of how a company is thinking and what trends it intends to capitalize on can be found in its new product introductions during any given year. In the past year, Kellogg, for example, brought out two new products: Raisin Squares, shredded wheat with raisins inside, and OJ's, a pre-sweetened children's cereal that emphasizes its orange flavor and the existence of as much Vitamin C in one serving as in a four-ounce glass of orange juice.

General Foods' Post division brought out just one new product, a Tropical Fruit extension of its Fruit & Fibre line, which now numbers three. Ralston-Purina introduced an adult cereal, Sun Flakes, with 100 percent aspartame sweetening, and two children's cereals based on the licensed characters Rainbow Brite and the Cabbage Patch Kids.

Quaker Oats' new cereals were Raisin Life, an extension of the Life line of cereals, and "Mr. T," with the imposing visage of the star of "The A Team" adorning the cereal box cover. General Mills' new cereals included Bran Muffin Crisp, Fiber One and S'mores Crunch.

But it doesn't matter what is on the supermarket shelves if the customer isn't buying it, and the introductions of this year and the past year appear to be viewed with mixed emotions by shoppers.

"Just last night, I was walking the cereal aisle with my grocery manager," said Raymond Tadry, vice president of Lloyd's Shopping Centers (Middletown, N.Y.). "These days, you almost see more adults in the cereal aisle than you do kids. Well, I stopped one person and asked him, and he said that he was looking for a cereal with a low sodium content.

People read labels

"Well, this guy had a coupon for 40 cents off General Mills' Fiber One, and I had it on special, at 99 cents down from $1.29. He could have gotten it for 59 cents. But he didn't buy it. Instead, he bought Sun Flakes because he said it had 40 milligrams of sodium instead of 190. People read the labels. I figured he must have been on a special diet, but no, he said he was just trying to be careful."

David Trottier, president of Smitty's Supermarkets in Springfield, Mo., said he has noticed a definite trend toward classic cereals that are perceived by the public as being healthful, even if the product is not specifically marketed that way. Chief among the beneficiaries of this movement have been Corn Flakes and Wheaties, he said. "I think that girl from the Olympics, Mary Lou Retton, has really helped Wheaties (in advertisements)," Trottier said.

At The Food Gallery, a two-store operation in Pittsburgh, store manager Wade T. Melhorn said that sales are also good for traditional cereals like Cheerios and Corn Flakes, as well as for fiber-based cereals such as Fiber One and All Bran. But sales have been terrible, he said, for cereals based on licensed characters such as The Gremlins or Pac-Man.

"You don't see a lot of it in this store," he said. "In our store, where we don't have as much room as a super store, we have to make discontinuances on our own." And the sugary, character-intensive cereals of recent years are usually the first to go.

Pre-sweetened by the wayside

Lloyd's Tadry agreed. "The pre-sweetened cereals have gone by the wayside," he said. "We belong to a co-op that does a lot of the weeding out for us. The Mr. T cereal, for example, came out with a big splash, but we've already discontinued it. The sales were just not there."

Sales also have been extremely weak for the Rainbow Brite and Cabbage Patch cereals, he said, while they have remained strong for Kellogg's OJ's. "I checked my average case movement since it was introduced, and it has stayed pretty consistent," Tadry said. "Kellogg is probably doing a pretty fair job of advertising."

Advertising aside, industry observers suggest that a trend is emerging here: cereals based on movie and television characters will be introduced far less often in the future. Such characters tend to have limited appeal over the long run, while characters developed specifically for a cereal—such as OJ's cowboy "OJ Joe" or Frosted Flakes' Tony the Tiger (who was introduced in 1952 and, according to Kellogg's Lovell, may well be the gold standard in such characters).

Yet another segment within

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DAIRY

Dairy manufacturers were unable to milk their products for all they were worth during 1984. Most significant gains were among yogurts and ice creams.

Despite attempts to butter up the nation's consumers, dairy manufacturers were unable to milk their products for all they were worth during 1984. While per capita consumption was up in some segments within the overall category, sales advances were, on the whole, cheesy, with yogurt and premium ice creams showing the most significant gains.

Sales figures and consumption figures did not always match up during 1984, for some legitimate reasons, industry observers say. In several dairy segments, most notably cheese, butter and margarine, government giveaway programs discouraged some sales while stimulating consumption. In the ice cream category, where consumption was not equal to the higher rate of sales increases, the reasons could be found in what retailers described as an almost unprecedented consumer interest in high-cost, premium level products and novelties.

Statistically, over the past 10 years, the dairy industry has not seen tremendous increases in sales. In 1975, for example, grocery stores sold $9.8 billion worth of dairy products, while in 1984 they sold $17.9 billion—an 87.3 percent increase.

But this pales when compared to other category sales. In beer and soft drinks, for instance, sales during the past decade are up well over 100 percent. And, the dairy figures do not take into account the fact that included in them are sales for a wide variety of products other than milk; compared one-to-one, milk's advances are much lower than either beer's or soft drinks'.

The average American consumes roughly 65 percent more soda than milk, according to the American Dairy Association. In 1983—the figures for 1984 were not yet available—Americans on a per capita basis consumed 42 gallons of soda, 26.8 gallons of milk, 25.9 gallons of coffee, 24.6 gallons of beer, 6.8 gallons of juice and 6.4 gallons of tea.

Bones of contention

And yet, interest in dairy products, and particularly milk, from a health standpoint may never have been higher than today with the pressing of the word "osteoporosis" on the nation's collective consciousness. Osteoporosis, or brittle bone disease, victimizes nearly one out of every four American women over 60 years of age, and is thought to be prevented by high dosages of calcium at a younger age.

Dairy products, especially milk and cheese, are prime dietary sources of calcium. Indeed, despite some nutritionists' warnings that the scientific evidence is not yet strong

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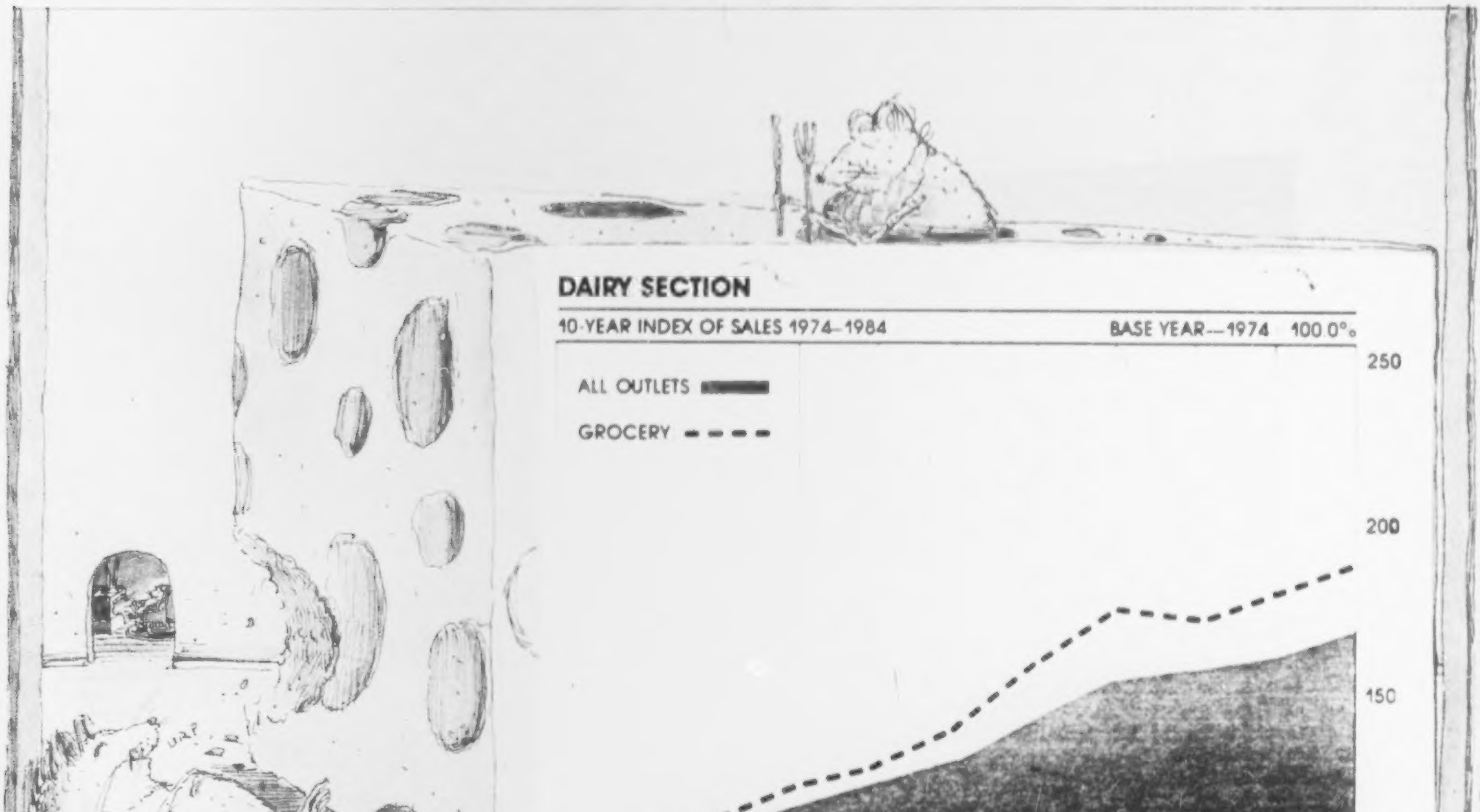

Illustration by Debbie Tilley

DAIRY

The average American consumes roughly 65 percent more soft drinks than milk, according to the American Dairy Association. And yet interest in dairy products from a health standpoint may never have been higher, in these calcium-conscious days.

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enough to support claims about dairy products and osteoporosis, the National Dairy Board has initiated a campaign that emphasizes the calcium benefits of dairy products and features instore promotions and booklet giveaways.

The results of all this publicity, however, are, to date, somewhat less significant than hoped. Marlee Norton, a spokesman for the National Dairy Promotion and Research Board (NDPRB), said that although the media have given a great deal of attention to osteoporosis ("I didn't even know what it was a year ago," she said, noting that it has become a familiar word to thousands of Americans), a new study commissioned by NDPRB has evaluated the impact of the advertising as "inconclusive."

The study covers the period from September 1984 to April 1985, and suggests that "there have been significant changes in the attitudes of women," but that there is no concrete evidence that this is having an impact on sales, Norton said.

Dairy was "an unusual area," during 1984, said Leonard Teitelbaum, a vice president and analyst with Merrill Lynch, the nation's largest brokerage firm. Teitelbaum pointed to yogurt and ice cream as the prime areas of growth, a contention that the Consumer Expenditures Study confirms. Yogurt was a $1.6 billion business during 1984, with about $1.3 billion, or 81 percent, coming from grocery store sales. Overall, yogurt sales were up 12.3 percent in 1984, with grocery stores' role in that up about 10.8 percent.

In all likelihood, Teitelbaum said, this kind of growth rate will dissipate. "I think it will be having a much more normal growth rate, and will be flattening out," he said. The cause would be the segmentation of the market, or the creation of new yogurt products based on more specialized areas. "When you start to segment, you start to cannibalize your market," he said.

Segmentation blues

Jim Glicker, group product manager with The Dannon Company (Long Island City, N.Y.), agreed up to a point. "In general," Glicker said, "it is a good idea to segment. By dealing with specific needs, you can make the category grow faster." Nevertheless, when Dannon brought out its new Hearty Nuts & Raisins yogurt during 1984, it did not follow the lead of General Mills' Yoplait and christen it a breakfast yogurt.

"Frankly, we thought it was too limiting, that you could eat it for lunch, too," Glicker said. "Besides, their product (Yoplait's breakfast yogurt) isn't doing very well."

Consumption patterns for yogurt, according to Glicker, break down to about 50 percent at meals—only three percent of which is asbreakfast—and 50 percent assnacks. Thus, it served Dannon's interests to direct a yogurt at more than one market.

Yoplait's yogurt offerings include Original, Breakfast, and Custard Style, with multiple flavors in each, but General Mills refused to discuss the segmentation issue broached by Dannon.

One of the major new players in the yogurt segment is The Kellogg Co. (Battle Creek, Mich.), which brought out its Whitney's line of creamy yogurts, and quickly attained high visibility and sales beyond even retailers' expectations.

Generally priced between 10 and 20 cents higher than other yogurts, Whitney's moves "surprisingly well," according to several retailers that have stocked it. Richard Lovell, a spokesman for Kellogg, said that while Whitney's currently is not a national brand—it is in New York City, Baltimore/Washington, New England, Chicago, Los Angeles, San Francisco, and parts of Florida and upstate New York—it is proving to be a formidable competitor, achieving the number two position (behind Dannon) in both New York and Baltimore/Washington.

"Americans eat far less yogurt than Europeans do," Lovell said. "We think the potential for growth in this market is very, very good."

Supreme challenges

According to the U.S. Department of Agriculture (USDA), consumption of yogurt in this country definitely is on the rise, moving from 2.7 lbs. per person in 1982 to 3.2 lbs. in 1983 to 3.6 lbs. in 1984. Kellogg's Lovell estimated that in Europe consumption may be more than four times that—hence his company's investment in the category.

Dannon fully intends to contribute to this competitive market. This year, following on the heels of its breakfast-style yogurt, dessert-style yogurt and snack-sized packs of its traditional yogurt, Dannon will introduce "Dannon Supreme," a deluxe version "that is creamier and has more fruit than any other product on the market," according to spokesman Glicker.

Would it be incorrect to assume that this is a direct response to Whitney's, which uses similar glowing terms to describe its product? "Probably not," Glicker said.

While not experiencing quite the same amount of growth as yogurt, ice cream also was a category with substantial increases and a fair amount of retailer excitement during 1984.

Sales, according to the Consumer Expenditures Study, were up 6.7 percent overall and 5.6 percent in grocery stores, which contribute about one-third of the category's national sales. The ice cream market in grocery stores reached $1.5 billion during the year, compared with $4.6 billion overall. At the same time, however, consumption was not increasing.

According to USDA, the average American ate 2.07 gallons of ice cream in 1984, down from 2.08 gallons in 1983 but up from 1982's figure of 2.03 gallons. Sherbet remained consistent during the three year period, at .15 gallons consumption per capita in each year. Ice milk, on the other hand, showed marked consumption increases, from .78 gallons per person in 1982 to .81 gallons in 1983 to .84 gallons in 1984.

Harold Finley, manager of administration with Carnation Co.'s dairy division, said that ice milk's increasing usage can be traced to a preference for it in fast food outlets selling soft-serve cones. Because ice milk can be more easily preserved at consistent temperatures than ice cream, many such outlets—McDonald's, for example—use it instead.

Premium growth

Dawn M. Brydon, a spokesman for the International Association of Ice Cream Manufacturers (IAICM), said that her organization's studies have shown that much of the increase in ice cream sales has come from the premium and super premium segments. (She declined to define exactly what

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DIET FOODS

As manufacturers move towards higher-quality products, the diet foods category is shedding its weight-loss image for the "light" designation.

What do the following phrases from prominent advertising campaigns have in common?

"Just for the taste of it." "Ninety-five calories never tasted so imported." "I buy it for the taste." "This is living." "Less filling. Great taste."

Answer: All are used in the promotion of so-called "lite" products. And none of them refers to the fact that not so many years ago, they likely would have been called "diet" products.

In the words of one midwestern retailer, "They're selling gourmet quality now, rather than the garbage of the past."

Thin is beautiful, and manufacturers have declared: "Let there be lite." There is lite beer (and "light" beer—only Miller Brewing Co., which originated the segment in the beer category, can use the "lite" designation, while other brewers must use the different, albeit correct, spelling), light mayonnaise, light ketchup, light potato chips, even light ice creams (and their tofu-based imitations).

Broader consumer base

One of the nation's primary purveyors of dietetic dry grocery products is Sandoz Nutrition Corp., a Minneapolis, Minn.-based company that manufactures and distributes 180 products in the Featherweight line. Beth Hvass, product manager for Featherweight, acknowledges that retailers can be quite derisive about the quality of diet foods, and that they have had good reason—in the past.

Hvass said that while Featherweight traditionally appealed to a relatively narrow consumer base—"those people on a medically directed diet" rather than those simply interested in shedding a few pounds so they can look good at the beach—the company currently is planning to reformulate some of its products to improve taste and flavor.

"One of our biggest objectives is to provide taste now," Hvass said. "In some of our older products, taste may not be optimal. In our newer products, the number one emphasis is on taste and flavor."

The company's new barbecue sauce, tortilla and nacho chips, and custard are good examples of this, she said. Every effort has been made to assure that the taste does not suffer while maintaining the low-calorie, low-sodium character of the products. "We're spending a lot of time on this," she said.

Diet fruits off

At San Francisco's Tri-Valley Growers, which markets both Libby Lite Fruits (under a licensing agreement with Libby Foods) and Diet Delight Fruits,

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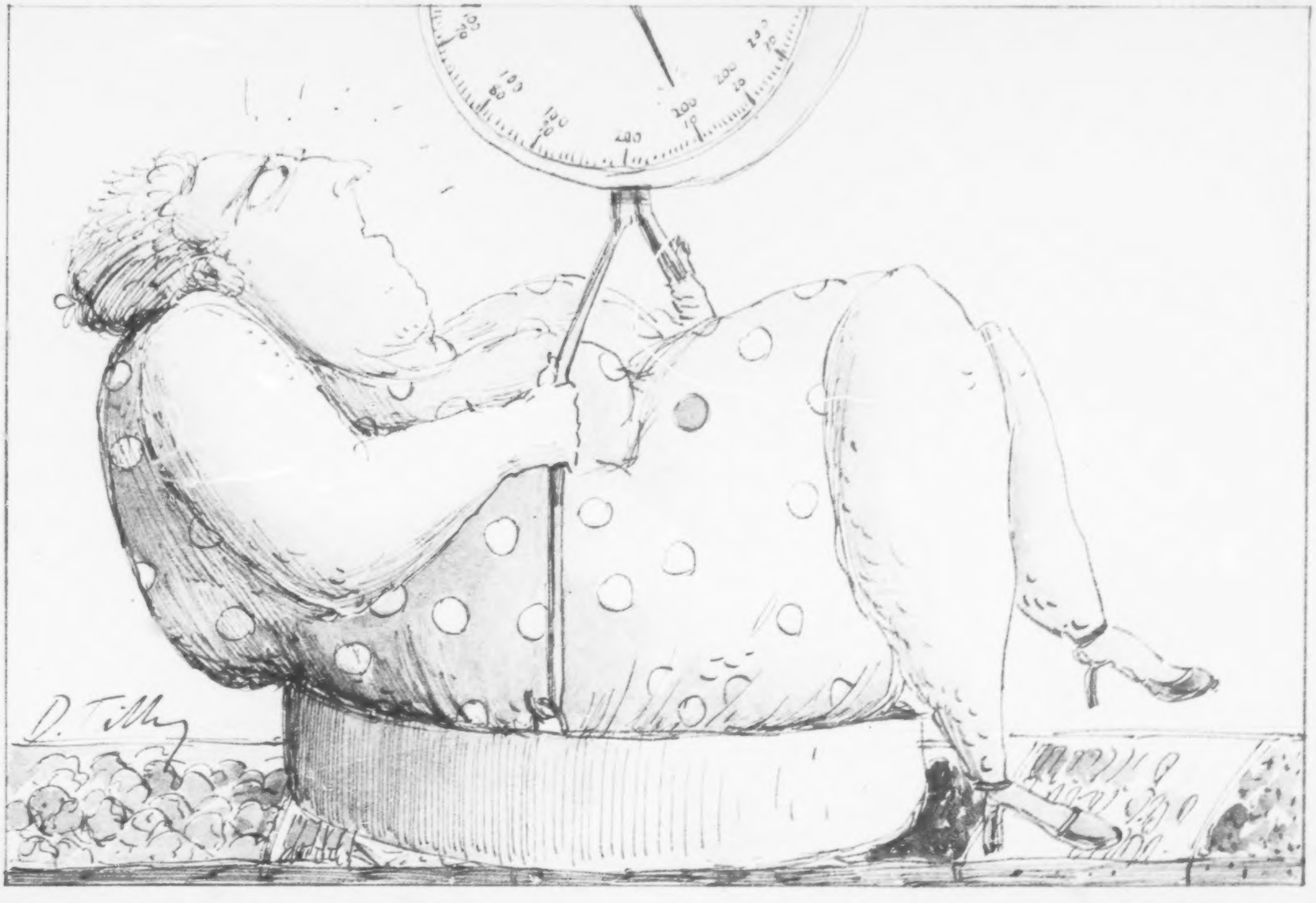

Illustration by Debbie Tilley

DIET FOODS

The key word among diet food manufacturers is not low-calorie, but taste. Advertising testifies to this concept.

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Dan Thornton, marketing manager of brands, said that "in the diet fruit category, sales are off dramatically. In the past year, we've seen a decline of about 30 percent."

Thornton said that the Libby Lite line is performing somewhat better than the Diet Delight line; no new products were introduced in either last year although the Libby line did see a reintroduction of its "Chunky Mix," which was discontinued after the former marketer, California Canners and Growers, went bankrupt and the machinery was tied up during a court action.

Agreeing that "the popularity of so-called diet fruits is on the wane," Thornton said there has been no thought of either discontinuing or renaming the Diet Delight line; it is a "possibility" that consumers might react differently if the name were different, but Tri-Valley is not ready to make such a move, he said.

Some studies report that the popularity of low-calorie products can be seen in several trends. Interestingly enough, despite the fact that the word "diet" has been all but shunted aside, most people are believed to diet and to eat light foods to lose weight and improve their appearance; better health is not thought to be the overwhelming concern.

Looking good

Industry experts say that though food consumption remains remarkably consistent on a per capita basis, people are moving away from foods that are considered fattening or less healthy.

Between 1970 and 1982, for example, red meat consumption decreased by eight percent or 12 pounds per person per year, while poultry consumption increased by 31 percent or 14 pounds per person per year. Eggs were down 15 percent or 42 eggs per person per year, while natural cheese was up 36 percent or 6.8 pounds. Whole milk consumption went down 13 percent or 33 pounds per person during the period, while low fat milk was up a whopping 147 percent or 45 pounds per person per year.

A study by Frost and Sullivan, the research firm, estimates that of the more than $25 billion being spent on light and diet foods in the United States, reduced calorie food and beverages account for about $9.6 billion; reduced fat foods account for $8.5 billion; high fiber foods account for $2.6 billion; reduced caffeine beverages for $2.3 billion; low cholesterol foods for $1.5 billion; and low sodium foods for $1.3 billion.

In just about every category, sales by 1990 should rise dramatically, the report says; in reduced caffeine and high fiber foods, for example, sales are expected almost to double by the end of the decade, while reduced calorie food and beverages could see an increase in sales of some $10 billion to $19.5 billion by 1990.

But, while Americans demonstrably are moving in the direction of foods that will provide them with trimmer, more attractive bodies, the manufacturers of such products are not stressing these applications in their advertising and promotion. The key word, instead, is taste. One drinks Diet Coke (an exception to the no-diet rule) "just for the taste of it," and Amstel Light beer because "95 calories never tasted so imported," and Miller Lite because it not only is less filling, but offers great taste.

The attractive woman in the Stouffer's Lean Cuisine commercial tells her friends that she buys the prepared meals because they allow her to keep her stunning figure, but confides to us that she really buys them "for the taste." Actress Lynn Redgrave, who once starred on Broadway in a comedy called "My Fat Friend," now does commercials for Weight Watchers, telling potential buyers of that organization's frozen food line that "this is living, not dieting." And so it goes.

Chemical questions

Even recent questions over the safety of aspartame, the artificial sweetener marketed by G.D. Searle (Skokie, Ill.) as NutraSweet, seem not to have affected manufacturers using the chemical in food and its bold logo on product packages.

"Consumers far and away have told us that they prefer the NutraSweet products for taste," said Featherweight's Hvass, noting that during the past year her company has discontinued its saccharin-sweetened gelatin and pudding line because it was being dramatically outsold by its six gelatins and three puddings containing NutraSweet.

Indeed, Hvass said her company has no compunctions about tying its fortunes to aspartame, despite an ongoing review of the Food and Drug Administration (FDA) approval process being conducted by the federal General Accounting Office (GAO).

"Prior to introducing our NutraSweet desserts, we worked with Searle and we looked at and examined the myriad of consumer studies, and there were much, much more of them than with many other products." Hvass called the new probe unjustified, and said she feels "comfortable with the research" done to date.

At Searle, executives express the same confidence. Art Massa, a spokesman for the company, said that a current slowdown in new aspartame-sweetened products can be attributed to "the saturation of the categories in which we already have approvals."

Massa said "it is just a matter of time" before the current probe is closed in Searle's favor, and before FDA begins acting on new usage applications that include ready-to-serve gelatins, refrigerated teas, breath mints and chilled/frozen juices. While no applications have been filed yet on their behalf, another group of categories will likely see aspartame-sweetened brands in the near future, Massa said, including ice cream, yogurt, frozen desserts, flavored milk, jams and jellies and hard candy.

If NutraSweet is the latest chemical offering taste at decreased physical cost, then tofu—or soybean curd—is its natural counterpart. More tofu-based products were introduced during the past year, with such items as Gloria Vanderbilt's Glace, distributed by Dolly Madison; Tofree, from Columbo, Inc.; Tofulite, from Barricini Foods, Inc., and, of course, Tofutti, from Tofu Time.

Tofu is cholesterol-free and lactose-free. Ice cream-like products made from it usually are significantly lower in calories than ice cream. A spokesman for Barricini Foods said that while no research has been done on how many people eat tofu for medical reasons and how many are simply being health-conscious, the message the company is trying to get across is that "good nutrition can taste good." Again, the emphasis is on taste. "There is also a certain trendiness involved," the spokesman said.

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DRIED FRUIT

The nation's dried fruit retailers and manufacturers are hoping to gain more sales by positioning their products as anything but dried fruit.

What doesn't look like dried fruit, doesn't sound like dried fruit, doesn't come in a package like dried fruit, is in a different section of the supermarket than dried fruit, and, perhaps, even tastes better than dried fruit?

Answer: Dried fruit.

The old "a rose by any other name" gambit is being put to new and stringent testing by the nation's dried fruit retailers and manufacturers, who hope that by positioning their products as anything but dried fruit—which often brings to mind therapeutic rather than gastronomic functions—they can energize a lagging category.

In some cases, the strategy has been to relocate the category in the supermarket: some retailers are giving dried fruit greater visibility and attention by locating it with the fresh produce. "You know how it goes," said one retailer, who asked not to be identified. "If you have it on the grocery shelves, some stocker just tosses it up there and forgets about it."

Repositioning

In other cases, an attempt is being made to reposition the category itself in the collective consciousness of the American consumer. "If you want to sell it like an ingredient, you sell it the old way," said Karen C. Bachmann, a spokesman for Del Monte Corporation (San Francisco, Calif.). "But if you want to sell it like a snack, then you sell it like a snack."

Increasingly, this means new products, new line extensions and new formulations designed to appeal to an expanding range of consumer.

Bachmann's sentiments were echoed by Don Soetaert, senior vice president for sales, marketing and distribution with Sun-Diamond Growers of California (San Ramon, Calif.), which makes dried fruit products under the Sun-Maid, Sun-Sweet and Diamond labels, among others.

Soetaert said that the emerging strategy of referring to dried fruit as anything but dried fruit "has helped sales a lot," and that the national trend "towards natural products as healthy snacks has helped as well," working in tandem with distributors' plans to harvest a new dried fruit consumer.

Kid stuff

That new consumer may be a young one, if things work out as planned. While dried fruit products such as apricots and prunes generally are identified with an elderly age group, new product segments are being created that will bring dried fruit to the young. This new segment is known as the fruit roll segment, which uses centuries-old techniques in the development of a new snack using dried fruit.

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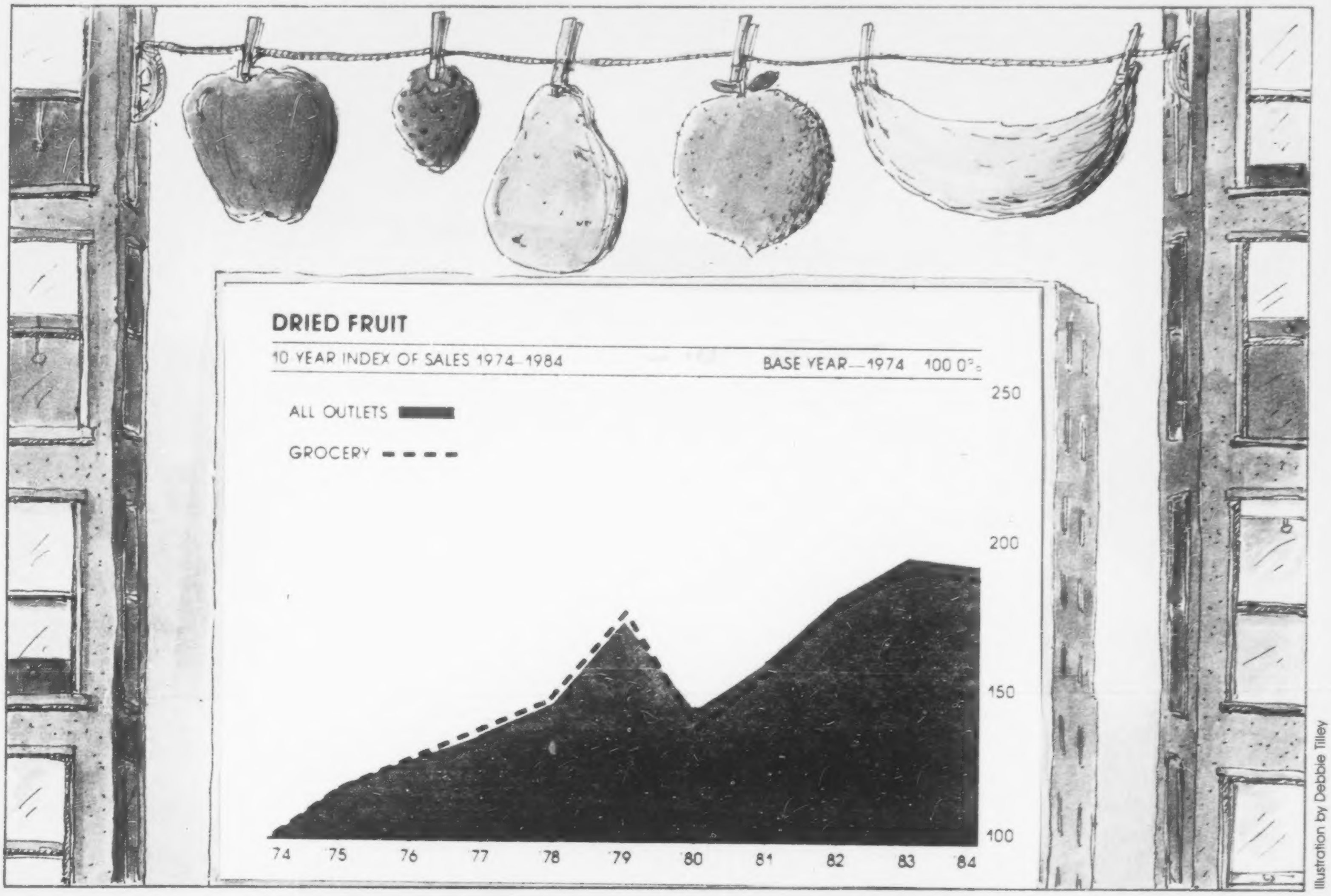

Illustration by Debbie Tilley

CONSUMER
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FROZEN FOODS

The big news in frozen foods this year has been the strong sales in upscale, single entrees and dinners, particularly those for the microwave.

The big news in frozen foods this year has been the strong sales in upscale single entrees and dinners, particularly those for the microwave, as changing demographics continue to alter the eating habits of working Americans, say supermarket buyers across the country.

In response to the demand, manufacturers are scrambling to extend their lines of fancy dishes as well as their reduced-calorie upscale products and have sent many of their older, more traditional frozen dinners that seem to be in a sales slump back to the shop for updating.

As sales of such brand names as Le Menu, Lean Cuisine, Dinner Classics, Classic Lite and Light & Elegant continue to climb, buyers give most of the credit for increased profits in the frozen category to the new work force, particularly to the growing numbers of working women who have little time to cook, single parent families, and to the increasing number of elderly shoppers who would just as soon not cook if given the choice.

Only the fact that expansion of a frozen food department often means remodelling the store has prevented more supermarket chains from increasing their shelf space. New and remodelled stores are making use of the newer high frozen food cases that can display more merchandise in relatively less space.

Trading money for time

"Today's Yuppie will trade money for time any day. Upscale dinners and entrees, that's the direction we're going today," said Jim Ghirardi, a buyer for Great Scott Food Markets, a chain of stores in Massachusetts and Connecticut and based in Canton, Mass.

Ghirardi noted that both regular dinners and the products aimed at health-conscious eaters have done well, as long as they're geared for the more upscale market. "Stouffer's white box items and Le Menu have been doing very well," he added.

Great Scott stores have also seen signs that Pillsbury's microwave ready pizzas are going to take off, and that Sara Lee's frozen croissants will be strong. Weaker areas are some of the more traditional. "Frozen potatoes and battered fish products seem to be soft. And the frozen juices have been hurt by the chilled juices," Ghirardi noted.

The company is looking for additional shelf space in the frozen department wherever possible and adding it as stores are remodelled, primarily because of the strong sales of the higher-priced items. "These products are profitable. Handling costs are the same

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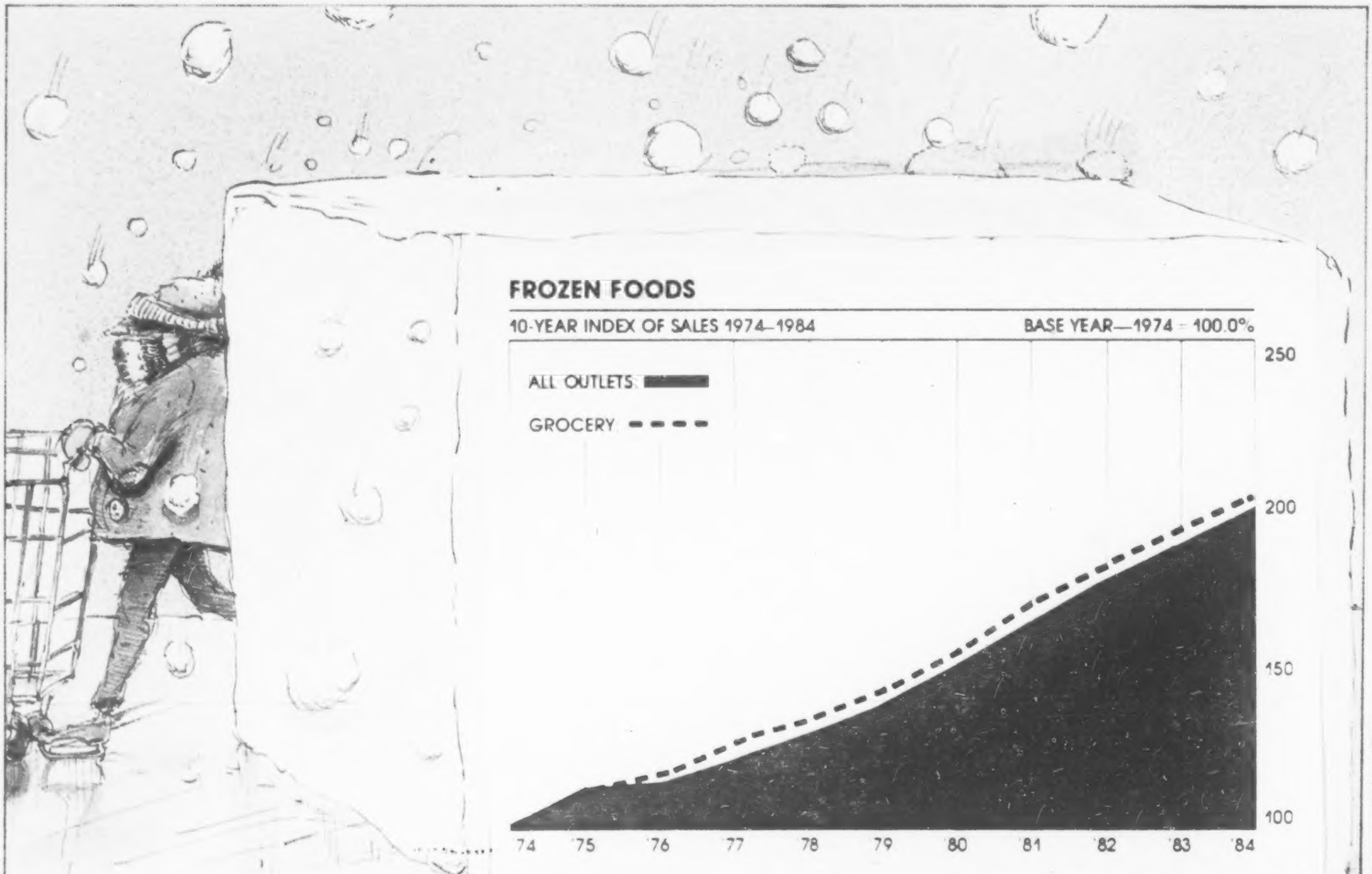

Illustration by Debbie Tilley

FROZEN FOODS

No area within the frozen food category "bombed out," with the possible exception of frozen desserts, where high prices seem to have inhibited shoppers.

regardless of the price of the item, so the upscale products are adding both net and gross profit," Ghirardi said.

Growth across the board

Jack DeMoulas, of DeMoulas/Market Basket stores, another New England chain based in Tewksbury, Mass., sees growth across the board in frozen foods. "There's a market for everything, as an overview there's room for everything," he said.

DeMoulas also noted that strong sales of the upscale entrees and dinners may be due to heavy advertising on the part of manufacturers. On the whole, however, he credits good sales in the frozen category to changing life-styles. "People are buying more frozen food because there are more working women and more single parents," he said.

In the Southeast, the trend towards upscale holds true even in some of the more rural areas. "Entrees and single dishes are the leading category, the expensive but good quality items. Particularly those that are marketed as microwavable rather than those that can also be used in a microwave are doing very well," said Mike Medders, buyer for Piggly Wiggly Southern's 82 stores in Georgia.

Medders pointed out that even in rural areas, where many of his company's stores are located, microwave-ready items are particularly popular and he also gives the new numbers of working women credit for this.

Observing that no area within the frozen food category "bombed out," with the possible exception of frozen desserts, where high prices seem to have inhibited shoppers, Medders noted that frozen foods seem to be strong even without advertising support. "We have one line of frozen pancakes that is very low key, but still moves well. If people like it, if the need is there, they get purchased without advertising," he said.

Piggly Wiggly has expanded frozen foods departments over the last three years to accommodate increasing demand as well as new products. "Our new stores have increased space. We've gone from coffin cases to the uprights because the new equipment can hold more product in the same space," Medders said.

Farther west, frozen foods have also been a strong growth category, again, with microwavable entrees leading the way. But there are also differences, probably for reasons of climate. "Frozen juices, cobblers and cream pies have all been heavy during the hot weather," said Tommy Biles, a buyer for the 100-store Furr's Inc., based in Lubbock, Texas. Other areas that have done particularly well for Furr's are frozen pancakes ("Working women especially like them," said Biles), and inexpensive pizzas, which the chain promotes heavily. Soft categories, as in most of the country, have included some of the old standbys such as potatoes.

On the West Coast, frozen juices are also doing good business along with the upscale products, but here the focus is definitely on health-conscious eating. "The microwavables are climbing, but there has not been

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DRIED FRUIT

New products are being created that will bring dried fruit to the young.

Continued from page 145

Michael H. Loudon is senior manager for licensed products management with Sunkist Growers (Van Nuys, Calif.), which has licensed its name to Thomas J. Lipton, Inc. (Englewood Cliffs, N.J.) for use in four flavors of fruit roll: cherry, grape, orange and strawberry.

"Fruit rolls are positioned as an alternative to candy," Loudon said, noting that children are not users of most dried fruit products. "It is positioned towards children by using children's flavors. We don't have prunes, because prunes are not real high on children's priority lists."

In prune territory, however, it is with a certain defiance that the industry association has launched a new promotional campaign that says, in essence, that prunes is prunes. Elliott Belinn, marketing director of the California Prune Board, said that a recent advertising campaign identifying prunes as items of upscale culinary sophistication is being abandoned in favor of "serious stuff that will, in a responsible way dealing with serious issues, be hard-hitting stuff."

The campaign: To identify prunes as a prime dietary source of fiber, which has been labeled by the National Cancer Institute—not to mention by certain consumer package goods companies, such as Kellogg Co. (Battle Creek, Mich.)—as having cancer-preventing health benefits.

This campaign will be waged not only in the consumer press, but in retail stores as well, where promotions bringing various edible forms of fiber together in a single location will be encouraged by the California Prune Board.

Go figure

These bursts of promotional activity on the part of dried fruit retailers and manufacturers are a result of a lackluster 1984, according to industry observers. SUPERMARKET BUSINESS's Consumer Expenditures Study reveals that, considered as a category, dried fruit was a $579.7 million business during 1984, of which 75 percent, or $435.8 million, was earned in the nation's grocery stores.

These figures represent decreases from 1983—2.5 percent less than 1983's $594.6 million in domestic sales overall, and 1.4 percent less than the $442 million done in grocery stores during that year.

A breakdown of these figures indicates that the slight overall decrease seen in the category is deceptive; there were two larger decreases in specific segments, and at least two hefty increases. In grocery stores, dollar sales decreases were seen for raisins (-2.6 percent) and apricots (-10.4 percent), while increases were experienced in dates (6.7 percent), figs (7.2 percent) and prunes (1.3 percent).

Can't fool mother nature

Industry experts say that dried fruit, like fresh produce, is a difficult category to evaluate and predict in terms of sales and tonnage because so much of its success and failure can be traced directly to the vagaries of weather conditions.

Other conditions can play a role, too, such as economic conditions that go beyond the vineyards. "It's not a sexy category, but it is one that is subject to tremendous fluctuations of

FROZEN FOODS

Retailers credit good sales in the frozens category to changing life-styles. People are buying more frozen foods because there are more working women and more single parents, and time is of the essence.

a big surge. It's the light-calorie items that are building and entrees are one of the hottest items," said Lee Sala, of Raley's, based in Sacramento, Calif.

Sala noted that the less expensive dinners have fallen off and that a combination of prices and West Coast life-styles has hurt frozen dessert sales. "West Coast people are more prone to think about weight and health. They also may be buying from fresh bakeries more," he said.

Raley's would like to expand frozen departments but can't "because of high energy costs," said Sala. The chain's typical frozen foods department is about 385 linear feet which, according to Sala, is typical of West Coast supermarkets, and the relatively high cost of electricity prevents much expansion.

Upscale is the way to go

The pattern holds true in the central United States as well, where shoppers apparently have decided that upscale is the way to go, too. Referring to the higher-priced entrees and dishes, Larry Schillinger, a buyer for Borman's, a chain of 99 stores based in Detroit, said, "They represent a big part of increased business. Vegetable blends are also doing well, but the more traditional dinners and meat pies are a little lax."

Supermarket buyers generally agree that advertising and promotional support from manufacturers has been good in the frozen foods category, although they wish a little more might be given to some of the slower movers.

"Support in the form of couponing, advertising and allowances has been very strong," said Sala of Raley's. "Ads by the manufacturers do very well and there has been heavy coupon support," added Biles of Furr's. "The national brands are spending a lot of money in advertising," Medders of Piggly Wiggly agreed.

The frozen food manufacturers have not been sitting on their hands watching sales go up. Fierce competition in the new areas of entrees and upscale dinners has kept them on their toes.

Campbell Soup Company, for example, is developing additional products in its Le Menu line and has just introduced a series of light seafood entrees in the Mrs. Paul's line, according to James H. Moran, a company spokesman. In addition, Le Menu frozen croissants that were introduced regionally on the West Coast a few months ago and a line of Le Menu single entrees tested on the West Coast will both go national in the future.

Campbell is also testing a line of Casa Brava Mexican dinners in Denver and Salt Lake City, and has introduced a line of Great Starts breakfasts, including a new pancake with strawberries and a french toast. Breakfast sandwiches are being tested in Florida.

The company's Swanson line of traditional dinners is undergoing an $8 million facelift program of 100 changes designed to upgrade the product and bring it more into line with the upscale eating trend of the 1980s. According to Moran, the initial changes have already brought about increased sales.

Finally, Campbell is in the process of phasing out the traditional aluminum tray. By the end of the year, changes to either fiberboard or plastic will be made to make the Swanson dinners microwave-ready like the Le Menu line.

Stouffer's also has been active, according to a company spokesman. Five new Lean Cuisine products were introduced this year, including Linguini, Stuffed Cabbage, Fish Jardiniere, Chicken a l'Orange and Chicken Cacciatore. Stouffer's has also reformulated its chicken and turkey pies. ■

—BOB MILLER

DRIED FRUIT

Its Fruit Snacks line is designed to capture sales in the healthful snack category.

price and availability because of market conditions," said one industry expert.

Raisins are a perfect example of this. During 1984, they enjoyed one of their best years ever in terms of tonnage and availability. Retailers report that their raisin sales were up in terms of units sold. And yet, because of prevailing market conditions, the dollar sales figures are down slightly and, at the agricultural level, the year in raisins has been nothing short of a disaster. In the coming year, farmers will be doing their best to rectify the situation, but their moves could have an impact at the consumer level.

Bob Phinney, a spokesman for the California Raisin Advisory Board, said that raisin volume for the crop year running from July 1984 to July 1985 was up by 22 percent or almost 17,000 tons, but that the field price, that earned by farmers, dropped from $1,300 per ton in the 1983 crop year to about $700 per ton in the 1984 crop year.

"The single biggest cause of this problem is that in the early-and-mid seventies, several famous California banks and universities, anticipating the growth of California wine as a category, said the growers couldn't plant grapes fast enough," Phinney said.

"But what happened was that foreign wines really started to grow here in the United States, and, in terms of tonnage, European wines were taking all the growth in the U.S. wine industry. The growth in California wines didn't materialize, and we couldn't sell the grapes to the wineries."

Phinney noted that at the same time, the American dollar was gaining strength abroad, making it increasingly difficult to export U.S. grapes overseas. As avenues of distribution were cut off, the cost of raisins tumbled.

But this could change. Phinney said that raisin producers have agreed on a voluntary basis to establish a program for the coming marketing year that will cut back on the amount of raisins offered to the market; of the anticipated 300,000-to-350,000 tons of raisins that could be available this year, roughly 60,000 tons will be "diverted" away from the marketplace.

"The effect will not only be to jack up the prices, but to take care of the surplus we've had," Phinney said. "Eventually, if things firm up a bit, the growers' price should come up a little bit." Phinney defined "a little bit" as 10 percent, but suggested that retail prices should not go up by that much.

Sun-Diamond's Soetaert said that Phinney's estimates likely are accurate, and predicted that cost increases should not damage the retail market for raisins.

"You're trying to get values across to consumers, and if they

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GREETING CARDS

Greeting cards provide supermarkets with a terrific growth area. Humorous cards are where the strongest demand is.

They can be funny or sad, clever or just plain dumb, but regardless of the message there's plenty of good news to be read in supermarkets' involvement with greeting cards. Lured by high profit margins and solid manufacturer support, sales for the category increased 17.5 percent in grocery stores last year on $364 million worth of business, according to the 1985 SUPERMARKET BUSINESS Consumer Expenditures Study.

Supermarket buyers and manufacturers claim that card sales in food stores, spurred by the growing numbers of consumers too busy with work and families to go to specialty stores, reflect a national trend towards more casual and humorous products, as well as more sophistication.

According to Jeff Jones, executive director for American Greetings Corporation's national markets, the greeting card business now exceeds $3.2 billion annually. Some 7.6 billion cards are sold each year, which amounts to an average per person of 30 cards a year.

Supermarkets' noteworthy success

The fastest-growing channel of the card industry has been supermarkets, Jones noted. "The greeting card department features products with traditionally high margins and manufacturer-supplied merchandiser service support programs that minimize labor investment. Manufacturer-supplied fixture programs even eliminate the need for investment in expensive display equipment," he recently told members of the Food Marketing Institute (FMI).

Industry observers predict that by 1990, supermarkets will claim 20 percent of all greeting card sales. The growth has been brought about largely by the supermarket industry's determined attempt to provide a shopping venue in which the consumer can purchase all his or her needs in one store. Supermarket chains that have tested greeting cards seem to agree that there is strong potential for profit.

"We've recently started card departments and they're doing very well," said Jerry Hebda, buyer for Food Giant/Big Apple Super Markets, a chain of 84 stores based in Atlanta.

Buddy Colmer, a buyer for Brookshire Bros. (Lufkin, Tex.), a 47-store chain with outlets in Louisiana and Texas, also is enthusiastic. "The sales in cards are growing and we're expanding our departments," he said. While many supermarket chains use only one supplier, Brookshire uses three, and Colmer noted that year-round card sales are increasing, with humorous products leading.

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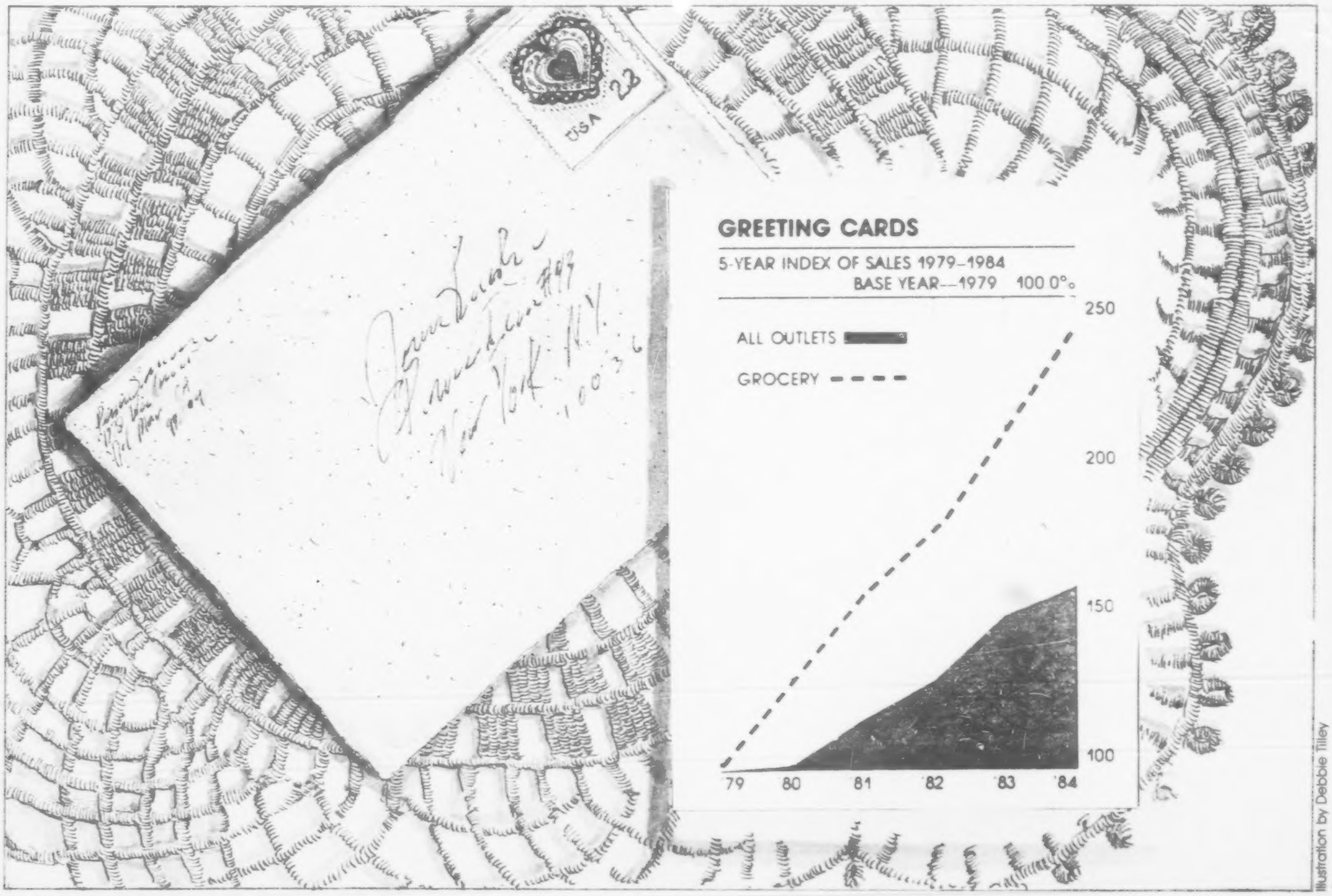

Illustration by Debbie Tilley

GREETING CARDS

Continued from page 153

One of the fastest rates of growth is in auxiliary products, such as gift wrap, party goods, stickers, candles and writing papers.

Laughter is the best selling tool

Lowe's Food Stores, a chain of 85 stores in North Carolina and Virginia, also has installed card departments and James Messer, a buyer for the company, indicated that while there were no clear cut trends, humorous cards tend to do better than others. Messer also noted that floor traffic sales for special occasion cards continue to do particularly well.

In the Midwest, a growing number of supermarket shoppers also seem to be hungry for greeting cards. "We're putting cards in wherever possible as remodelling takes place. Sales are good and profits are excellent," said Dale Van Ess, merchandiser for Schultz Sav-O Stores, which is based in Sheboygan, Wis., and operates 40 stores in Wisconsin and 29 franchises in the Midwest.

Schultz uses only one supplier, Gibson Greeting Cards, Inc., and like many supermarket chains the manufacturer also does the store displays. Allotting eight to 10 feet for seasonal cards, Van Ess observed that the seasonal sales continue to be a major part of the department's business. Because all Schultz stores do not have card sections, the company does little advertising.

Farther west, Rice Food Markets, Inc., a chain based in Houston, is expanding card departments where sales and space warrant, according to Ralph Cohen, senior vice president of the company. Noting that the company's smaller stores have only seasonal card sections, Cohen said, "There's a trend towards humorous and sophisticated rather than the routine cards."

Rice Food uses two suppliers. "We do some of the display and they do some," Cohen added.

A close connection

The close connection between supermarket and supplier applies in most of the country's largest chains. A&P, with more than 1,000 stores, uses only one supplier but the chain itself does whatever advertising or promotion for card sales there are.

Two factors have influenced A&P's entry into greeting card and related product sales: the profit potential and the time-tested supermarketers' desire to develop a reputation for providing whatever the customer may be looking for.

"Initially we had eight to 10 feet for cards. Now that is not satisfactory. This is a growth area and in general merchandise there are higher margins and good turnover. We also have to develop a reputation that our customers can depend on having a wide variety of selection," said William J. Vitulli, an A&P vice president.

Vitulli also noted that humorous cards are where the strongest demand is. With the size of many A&P's newer stores reaching as much as 55,000 square feet, card departments have been significantly enlarged.

Manufacturers have worked hard to foster the supermarket/supplier relationship that seemingly benefits both parties. Jeff Jones, of American Greetings, frequently stresses the cost-saving value of having the supplier do most of the work.

His company has also developed guidelines for use by supermarkets setting up card departments, with space allocation suggestions divided into various department sub-categories, such as everyday, seasonal and promotional cards and auxiliary products.

Auxiliary products

One of the fastest rates of growth is in auxiliary products, according to Mark Schwab, senior product manager for Ambassador, a division of Hallmark Cards. Referring to such products as paper goods, gift wrap, party goods, stickers, candles and writing papers, he said, "These represent significant growth and the majority of our business is through supermarkets. Gift wrap and party goods are doing particularly well as more and more consumers are looking to fill their shopping needs in supermarkets."

In gearing its marketing for sales in supermarkets, combos and discount chains, Ambassador did some research into the demographics of the consumer and decided to go after the woman shopper between the ages of 18 to 34 as well as the growing numbers of working couples and working women.

In further research, the company determined that card shoppers were looking for convenience above all, easy and quick selection and more casual, humorous cards and products. These studies will be reflected in the company's new products, according to Pam Kanter, senior product manager for cards.

"Beyond a shadow of a doubt the growing interest in cards will be an area of expansion in supermarkets," she said, stressing the importance of display in order to catch the eye of a shopper with little time to browse. "Consumers don't come to supermarkets to browse," she noted.

Humor in sports

Ambassador's new product lines for the coming months will include a series of promotional cards that highlight humor in sports, illustrated by artist Gary Patterson, and the Americana Collection, a series with a nostalgic, country flavor, in response to consumer demand for more casual, laid-back themes, according to Kanter.

In the auxiliary products division, Ambassador has given a complete update to its party goods line, also in keeping with research that indicated consumers were looking for more casual entertainment ideas and products. Initial sales figures indicate strong interest, according to Schwab. Ambassador has also just introduced a new line of party favors and accessories to fulfill all party needs.

Gibson Greeting Cards and its Buzza division also stress the importance of a diversified product line. The company markets a variety of paper products, in addition to cards.

Gibson just signed an exclusive licensing contract with Disney this past June for all cards and related merchandise. And though these personalities may be perceived as appealing mainly to the young, Peter Shapleigh, national sales manager for supermarkets, noted that these lines are marketed more toward adults.

Shapleigh noted that his company's growth rate in supermarkets actually exceeded the industry average. Although he would not reveal precise sales figures, he said, "We are without a doubt the fastest growing company in the supermarket industry. We're in the Publixes, the Krogers, the Safeways. We have the best track record in keeping our commitment to the retailer. If we say we'll be in the store three times a week, we're in there three times a week."

He added that Gibson was "probably" the last major card company to enter the supermarket business, but said that in 1968, with the arrival of Tom Cooney as president, the company decided to become "chain-oriented."

Among those innovations are doing away with drawer inventory—Gibson replaced it with more shelving displays—and an electronic entry reorder system, which Shapleigh said cut product turnover, for those stores with checkout scanners, in half.

All Gibson cards and paper products have UPC bar codes, which are scanned at the register, then sent to the chain's terminal, which contacts Gibson's terminal, where the information is automatically routed to the marketing department, thus cutting downtime for orders.

Gibson also emphasizes a commitment to larger departments, which Shapleigh said are critical to growth, and free-standing seasonal displays that are put on the floor 10 days before major holidays, often in areas outside the department.

"Twelve years ago, they thought a 12-foot department was big," he said. "Today you see 60- to 120-foot displays and bigger. The key today is selection and party goods, paper goods, candles and life-style types of merchandise, like the Disney and Garfield lines."

Gibson heavily promotes its lines throughout the year. A current promotion, which broke Aug. 15 and runs through the end of September, is the Walt Disney Sweepstakes. Hawked with instore header display cards on top of the 10-foot Disney display case, the contest will give away 30 trips for four to Walt Disney World in Orlando, Fla., as well as hundreds of Mickey Mouse and Donald Duck telephones and watches.

Cross-merchandising is employed rarely, and only with party papers and birthday candles placed in the bakery department. But Shapleigh said the key to future growth is in line extension and ample department space for the category, preferably located next to a high-turn section. "We think that's how you promote the greeting card department," he said. ■

—BOB MILLER

GM'S* 10 FASTEST GAINERS

*Excludes HBA/Rx

Rank	Category	1984 Grocery Store Sales (000)	% Increase From 1983
1	Greeting Cards	363,933	17.5
2	Vacuum Bottles	26,015	13.8
3	Records & Tapes	192,530	13.5
4	Coloring Books	21,207	10.8
5	Batteries	435,073	10.7
6	Men's Hosiery	50,588	10.6
7	Panty Hose	718,656	9.7
8	Film	550,193	9.2
9	Film Processing	226,641	8.8
10	Paperback Books	130,718	7.8

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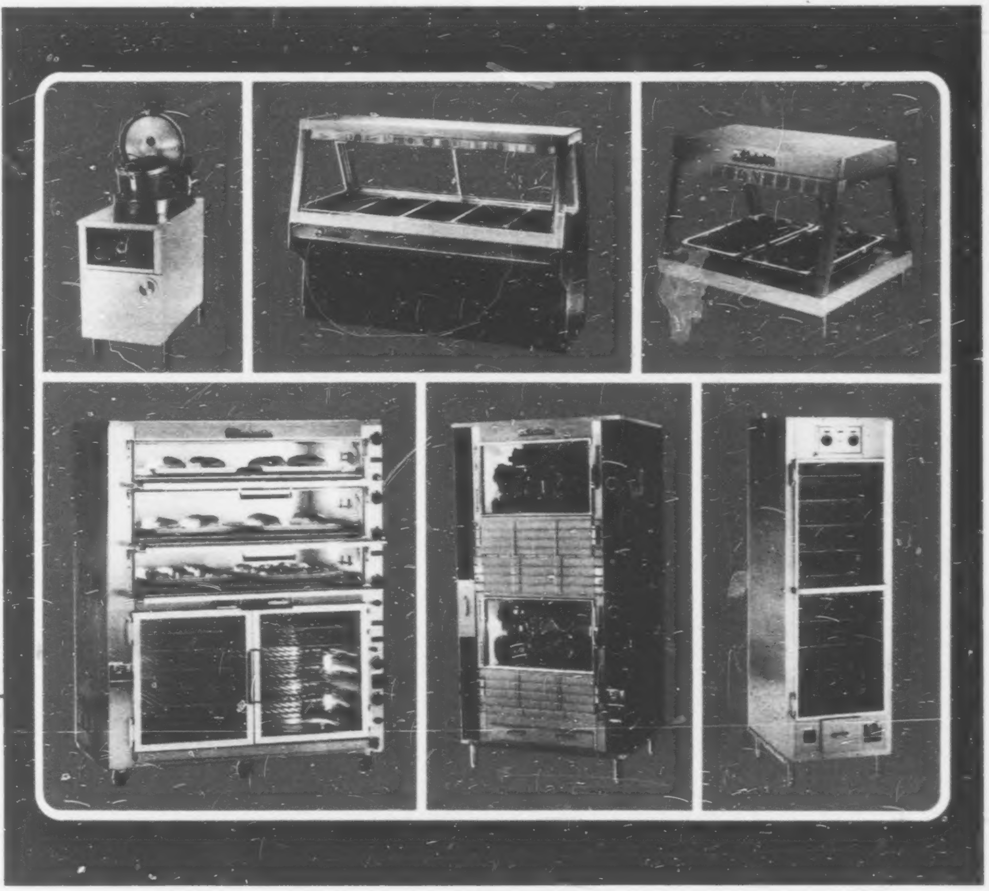


Revolving ovens and barbecue machines, gas/electric pressure and bakery fryers, bakery ovens and proofers, hot and cold service/self-service cases, holding cabinets and self-service warmers, food preparation and merchandising supplies. These are the quality systems, equipment and accessories produced by BK Industries for the foodservice industry since 1954. They can help you have a better, more efficient foodservice operation.

HEALTH & BEAUTY AIDS

From dieting products to hair mousses, it was a lively year in the health and beauty aids category. Toothpaste sales were generally dull, but were helped along some by the success of the new pumps.

In a time of far-reaching weight-consciousness, it should come as no surprise that the metered calorie meal called Slim-Fast became the health and beauty aids Comeback of the Year in 1984 and helped lead the entire Dieting Aids group to a very healthy 21.4 percent yearly growth.

Slim-Fast was originally introduced in the late 1970s, but it soon lost favor with consumers because it was shelved with liquid protein diets, which proved to be unpopular, according to the manufacturer's spokesman, Don Siegal of Thompson Medical Co. (New York).

But last year, Thompson Medical saw that the Cambridge Diet, which was being sold door-to-door, was helping sales of Slim-Fast in the few stores where it was still stocked, and Thompson decided to mount a major offensive. Distribution was expanded and ads came out pointing the advantages of Slim-Fast over its competitor: better nutrition, better taste and lower cost.

Success breeds success

Success has bred success and with it the outpouring of four or five flavors of the Slim-Fast dietetic milkshake, Slim-Fast bars, Slim-Fast hot cocoa, and just-introduced Slim-Fast cookies.

However, Siegal says a grocer is wise not to shelve the Slim-Fast cookies in the cookie section and the dietetic cocoa on the cocoa shelves. Instead, he suggests putting all of the Slim-Fast products in an end-aisle gondola for maximum consumer visibility and profits.

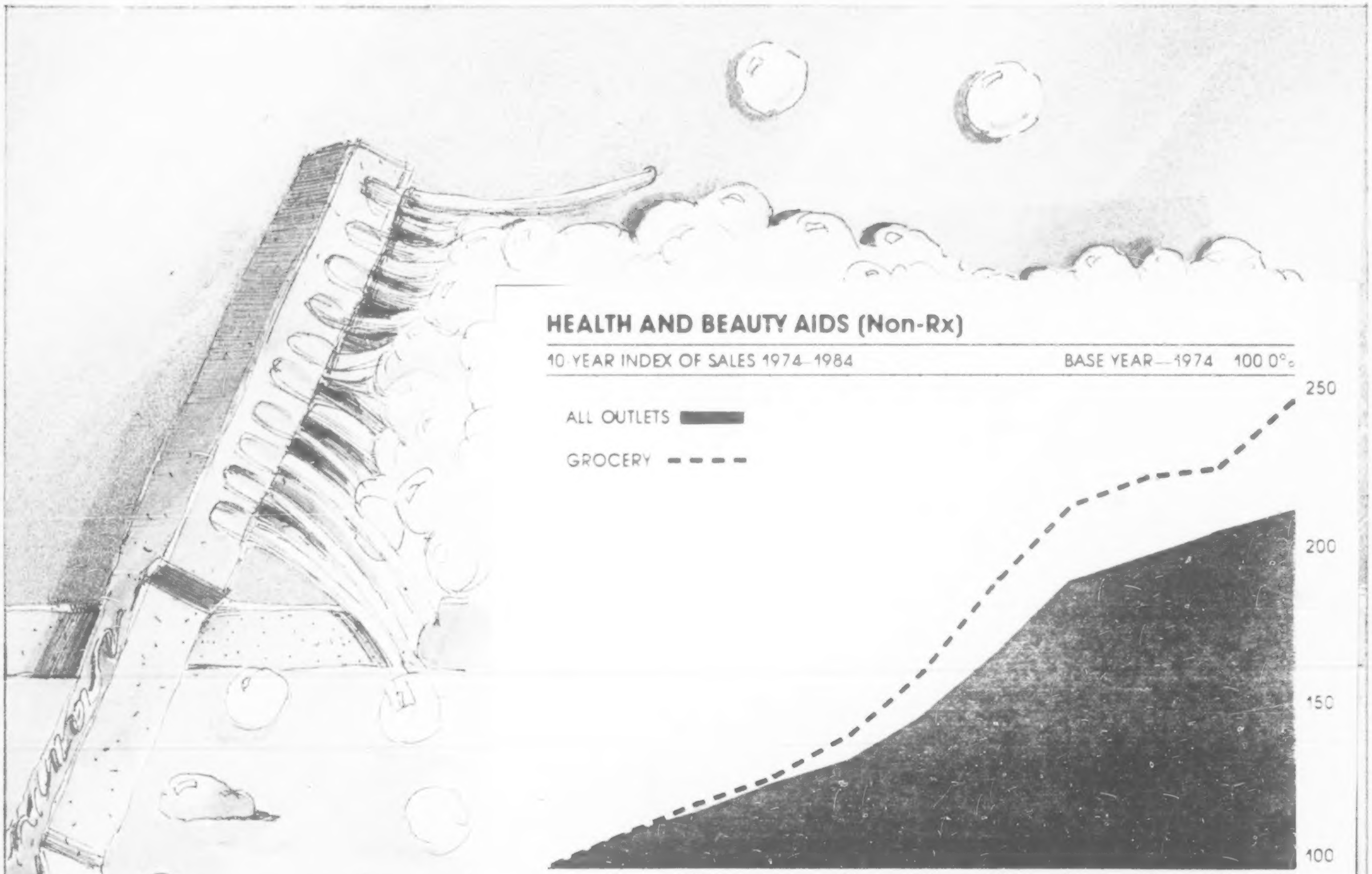
He says that Slim-Fast is the most requested brand by shoppers looking to lose a few pounds and that the line is filled with fast take-away items at very hefty prices, averaging about $5 each. Yet that is still lower than the original Slim-Fast Milkshake's suggested retail of $7.99, a price that Siegal says was lowered in the face of competition.

While he doesn't see any serious contenders in the grocery store, Thompson Medical will try to beat back potential inroads by the door to-door Herbalife products by comparison advertising and hope to take some of the existing sales away from Herbalife, too.

Biggest increase

The other Thompson Medical product to distinguish itself was Dexatrim 15, which helped the Reducing Preparations segment of Dieting Aids experience a 35.3 percent growth, the biggest increase of any HBA segment in 1984.

The basic Dexatrim, a phenylpropanolamine-based product, has been around for years. What makes Dexatrim 15 different is three extra hours of hun-



HEALTH & BEAUTY AIDS

By far the most stylish success was in the mousse category. Retailers have begun to cut down on space given to hair sprays to accommodate the mousse products.

ger control, setting it apart as the longest-lasting appetite suppressant on the market. Siegal says the three additional hours take care of the late-night craving temptation.

The mousse is loose

In hair care, consumers were met with a stampede of mousses and gladly followed the herd. About 40 to 50 brands are out now in a market that grew from zero in October 1983 to a projected $200 million for calendar 1985. As late as this past May, mousse sales were growing by more than 20 percent bimonthly, according to A.C. Neilsen figures.

Despite the brand proliferation and universally expected shake-out, Alberto-Culver (Chicago), maker of the top two selling Alberto Mousse and VO 5 Mousse for Men, is planning to come out with a gel and a variety for color-treated hair to meet additional market demands.

L'Oreal, traditionally not as big of a supermarket name as Alberto Culver, is making a bigger push into groceries for its No. 1 selling mousse L'Oreal Free Hold and plans to continue its massive advertising support to keep the brand the most popular. Yet, drug stores are the most popular outlets for mousse sales.

"The drug chains have done a better job with mousse (even though) the traffic at supermarkets is four to five times higher," says Alberto Vice President and General Manager of Consumer Products Douglas McAuley.

Responding to the worry that mousses cannibalize hair spray sales, both Alberto and L'Oreal point out that over 60 percent of consumers who use hair spray also use mousse. Yet, hair sprays for women, the lioness's share of the market, was decidedly flat, growing by only 0.4 percent last year. Also, the sales of conditioners were relatively flat.

Cutting back on hair sprays

With these trends, Frances Haerer-Laible, director of general merchandise for Save Marts Inc. (Modesto, Calif.), says her stores are cutting back on the number of sizes of hair sprays to make way for the mousses. She's also cutting back on the varieties of deodorants and slow-moving brands because of lackluster sales.

Nationally, the entire category of Personal Deodorants and Antiperspirants was up 7.3 percent with stick deodorants leading the pack with a 10.9 percent increase and feminine sprays losing favor with a 4.3 percent decrease.

Toothpaste sales were generally dull (up by 2.8 percent), but Terry Borne, general merchandise manager for Nash-Finch Inc. (Minneapolis), says the success of the new pump toothpastes, such as Colgate, gave him something to smile about. The smaller size tubes are being removed to make way because they don't give value to the customers, he says.

Jim Mason, director of Pharmacy and HBA for Consumers Market, Inc. (Springfield, Mo.) agrees. "Pump toothpaste sales have been much better than expected."

He's also been pleased with the sales of Tartar Control Crest.

The ibuprofen products such as Nuprin (Bristol-Myers) and Advil (Whitehall) are not going anywhere, says Mason, a registered pharmacist, for two reasons. First, the dosage is low compared to the amount found in a tablet of the prescription drug Motrin.

Secondly, to get the same dosage of the drug, an ibuprofen prescription user has to take more of the over-the-counter pills and pay more than he or she would for Motrin. He doesn't think the ibuprofen sales will be impressive until McNeil Consumer Products Company maker of Tylenol, comes out with its brand next year.

Looking back at 1984, Mason says the instant coupons were among the most effective instore promotions his stores had. These are the coupons that are attached to the products and can be redeemed at purchase time.

Razor sales were bleeding (down 5.3 percent), but the giant, Gillette, is coming forth with new progeny, according to Greg Niblett, public relations manager for the razor division.

And, with the increased number of brands comes a trend

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HBA'S 12* FASTEST GAINERS

1984 RANK	1983 RANK	[illegible]	'84 GROCERY STORE SALES (000)	% INCREASE FROM 1983
1	[illegible]	[illegible]	[illegible]	[illegible]
2	[illegible]	[illegible] Preparations	[illegible]	[illegible]
3	[illegible]	[illegible]	[illegible]	[illegible]
4	[illegible]	Contact Lens Solutions	[illegible]	[illegible]
5	12	Sleeping Aids (Non-Rx)	[illegible]	[illegible]
6	[illegible]	[illegible] Products	[illegible]	[illegible]
7	[illegible]	Eye Lotions, Washes	[illegible]	[illegible]
8	[illegible]	[illegible]	[illegible]	[illegible]
9	[illegible]	[illegible] Products	41,344	[illegible]
10	[illegible]	Cold Tablets, Capsules	280,724	[illegible]
11	[illegible]	Hand & Body Lotions	131,151	12.2
12	—	Hypoallergenic Infant Formulas	211,185	12.1

*Non-Rx only **Not in HBA 12 Fastest Gainers in 1983

HBA'S TOP 10* IN 1984

RANK 1984	RANK 1983	ITEM	'84 GROCERY STORE SALES (000)	% INCREASE FROM 1983
1	1	Internal Analgesics	789,781	9.2%
2	2	Shampoos	727,644	[illegible]
3	3	Routine Infant Formulas	694,000	8.3
4	4	Toothpaste & Powder	644,834	2.8
5	5	Sanitary Napkins	593,081	5.3
6	6	Vitamins & Tonics	491,220	
7	7	Eye Makeup Products	452,630	7.6
8	8	Razor Blades	301,056	0.6
9	9	Cold Tablets & Capsules	280,724	12.7
10	10	Tampons	238,052	5.5

*Non-Rx only

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SAMI UPDATE

All Eight HBA Product Groups Share in Sales Vitality

In the most recent reporting period, the leader in growth at food stores has been health and beauty aids. Sales in all HBA categories combined showed that SAMI measures rose 4.5 percent over the level in the corresponding period a year ago.

BY ALAN MILLER, JR.

During the four-week reporting period ending June 21, 1985, sales in all HBA categories combined measured by SAMI rose 4.5 percent over the level in the corresponding period a year ago.

This gain rate was approximated only by the growth among refrigerated foods, which advanced 3.5 percent in unit volume. There was an increase of 1.6 percent in the dry grocery: nonfood items, a modest increase of 0.6 percent for dry grocery: food items, but a loss of half a percent was recorded among frozen foods, which appear to have run out of steam in the growth that resulted from the launching of new lines of high quality entrees and dinners.

In all 370 SAMI categories combined, the 28-day growth amounted to 1.1 percent. Thus, the HBA performance was at a level more than four times the average increase.

The plus column

In the preceding four-week period, losses were found in the oral hygiene and shaving needs product groups. However, four weeks later all eight product groups were in the plus column paced by a gain of 9.9 percent among skin care aids and 8.6 percent for hair care needs.

More modest gains amounting to one percent for shaving needs and 2.2 percent for deodorants and baby needs were registered. The gain in the highest volume product group, proprietary remedies, amounted to 3.8 percent, surpassing by a considerable margin the 0.8 percent gain for these over-the-counter items in the May reporting period.

There was a ratio of just under two to one gains over losses at the product category level measurement with gains outpacing losses 33 to 17. The highest gain rate (178.5 percent) continues to be found in the hair setting needs category, where by now nearly every marketer of hair products has brought forth an entry in the hair styling mousse derby.

There were eight categories in which the four-week unit sales gain rate was a double-digit increase, including a 26.2 percent rise for eye care products, 17.9 percent for sleeping aids, and 14.0 percent for hand and body creams and lotions. The categories with the sharpest rates of decline other than the low-volume proprietary tranquilizers category, were: appetite suppressants, -11.9 percent, home permanent kits, -11.8 percent, cream deodorants, -11.7 percent and after shave lotions, -10.8 percent.

Baby's up

Of the four categories in the baby needs product group, two enjoyed four-week increases: nursery supplies (7.8 percent) and baby powders (3.6 percent). There was a small loss in the baby oils, creams and lotions amounting to half a percent while the decline for infant clothes was 8.4 percent, slightly more than the 8.3 percent loss on an annual basis.

Five out of eight deodorant categories were on the plus side of the ledger paced by foot deodorants and athlete's foot remedies—ahead 10.5 percent, and stick deodorant and pads recording a gain of 10 percent over the corresponding year ago period. Volume for feminine douches rose 8.6 percent and feminine hygiene deodorants advanced 7.3 percent. The loss rates are found in categories with volume siphoned off to sticks: creams (-11.7 percent) and roll-ons, off 3.5 percent.

Much of the lost volume in the spray deodorant category was the result of weakness for the body sprays, which have not been bearing up well during the repeat purchase cycle.

Both categories of first aid have shown gains on a four-12-52-week basis. During the four-week period, the unit volume of antiseptics and first aid products combined rose 4 percent, or about twice the 2.1 percent gain rate on an annualized basis.

Home permanents down

The only negative trend out of seven hair care needs categories was a four-week loss rate of 11.8 percent among home permanent kits. As is often the case, new products were responsible for growth in the shampoo, hair spray and hair conditioning rinse categories.

The most important launchings were Ivory, Halsa, Atune, Lilt and White Rain in the shampoo category; Atune and Perma Soft among hair sprays and Ivory, Halsa, Rave, Atune, Dimension and Lilt in the case of hair conditioning rinses.

In the still-burgeoning hair setting needs category, hair styling mousses appear under the brand names L'Oreal, Alberto, Vidal Sassoon, Suave, Breck, Gelle, Jheri Redding, Faberge and Aqua Set and Wella Balsam. Each of these entries accounts for more than $1 million in annual food store volume.

Losses are still found in two of the oral hygiene categories: -9.2 percent for denture cleaners and 2.1 percent for denture adhesives. However, the volume stemming from pump dentrifrices has allowed the toothpaste and powder category to move into the plus column—four-week sales increased 1.1 million units or 3.3 percent. Mouth wash sales were also strong as a result of the completion of the national roll-out of Listermint Fluoride and the strong performance of Listerine. Toothbrush volume was ahead 6.8 percent.

Sleeping aids pick up

Among the 13 categories of proprietary remedies tracked by SAMI, the score was eight to

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five, increases over losses. The two categories with the highest four-week gain rates, eye care products and sleeping aids, are also those with the best sales increases for the full year.

Three of the five categories experiencing declines were among the categories with the lowest unit sales rate within the proprietary remedy product group: tranquilizers, appetite suppressants and chest rubs. Losses of 2.2 percent for external analgesics and 0.7 percent for laxatives and stool softeners complete the rundown of weak over-the-counter remedy categories.

Cold tablet volume advanced 6.9 percent while sales of nasal sprays (1.8 percent) and cough remedies (0.4 percent) experienced more modest rates of growth. Sales in the highest-volume proprietary remedy category, internal analgesics, were 2.9 percent ahead of the year earlier level, helped in part by the continuing growth of Tylenol and as a result of national roll-outs of Advil, Nuprin and Encaprin.

Disposable blades strong

There are still three categories of shaving needs in which current volume lags behind the year ago period: pre-shave lotions (-2.4 percent), after shave lotions (-10.8 percent) and razors and blades (-2.7 percent). Increases of 4.4 percent for shaving creams and 1.5 percent for razor blades were sufficient to cause a gain of 1.0 percent in the product group. The increase for razor blades was due in large measure to continuing strong sales performance of disposable razors, particularly Bic and Schick.

There was only one category in the skin care aids product group with a minus sign—suntan oil-suntan lotion volume trailed 4.9 percent behind the 1984 pace. However, this loss in units was obliterated by the strong performance for hand & body creams-lotions (14 percent), facial preparations (12.9 percent), lip care products (12.6 percent) and cosmetic & medicated skin aids (8.7 percent).

Thus far in 1985, food store sales have been pretty much standing still in comparison with 1984 levels. In the June reporting period, the leader in growth has been health and beauty aids, which have at least temporarily replaced refrigerated foods as the pace setters.

Continued strong performance in the second half can cause this department to take over the leadership spot, which frozen foods are now relinquishing as some of the new entree and dinner lines run out of steam. ■

HEALTH & BEAUTY AIDS:
SAMI FOUR-WEEK FOOD STORE UNIT TRENDS VS. YEAR AGO

	% CHANGE VS. YEAR AGO		
PRODUCT GROUP AND CATEGORY	4 WEEKS ENDING 4/26/85	4 WEEKS ENDING 5/24/85	4 WEEKS ENDING 6/21/85
BABY NEEDS	**− 0.3%**	**+ 3.4%**	**+ 2.2%**
Baby Powders	+ 1.3	+ 8.3	+ 3.6
Baby Oils, Creams & Lotions	+ 1.1	+ 1.8	− 0.5
Infant Clothes	−21.6	−14.0	− 8.4
Nursing Supplies	+ 7.1	+ 8.1	+ 7.8
DEODORANTS	**+ 0.0%**	**+ 6.1%**	**+ 2.2%**
Sprays	− 9.4	− 1.4	− 3.9
Roll-Ons	− 5.9	− 1.7	− 3.5
Stick Deodorants & Pads	+ 9.3	+18.5	+10.0
Creams	−11.0	− 7.2	−11.7
Deodorants & Talcum Powders	− 1.9	± 0.0	+ 3.1
Feminine Hygiene Deodorants	+ 3.8	+11.8	+ 7.3
Foot Deodorants & Athlete's Foot Remedies	+16.2	+11.9	+10.5
Feminine Douches	+ 9.0	+ 9.6	+ 8.6
FIRST AID	**+ 7.3%**	**+ 6.5%**	**+ 4.0%**
Antiseptics	+14.3	+ 7.2	+ 4.8
First Aid Products	+ 5.4	+ 6.3	+ 3.7
HAIR CARE NEEDS	**+ 5.2%**	**+ 6.4%**	**+ 8.6%**
Shampoos	+ 2.0	+ 1.1	+ 0.6
Hair Sprays	+ 0.0	+ 6.3	+ 9.5
Hair Conditioning Rinses	+ 1.7	+ 4.5	+ 9.8
Hair Setting Needs	+200.3	+132.7	+178.3
Home Permanent Kits	−14.3	− 7.6	−11.8
Hair Coloring	− 3.8	+ 7.1	+ 3.2
Hair Dressing Needs	+ 1.9	+ 4.3	+ 5.2
ORAL HYGIENE	**− 3.1%**	**− 4.4%**	**+ 3.7%**
Toothpastes & Powders	− 6.6	− 6.5	+ 3.3
Mouthwashes	+ 5.4	+ 2.1	+ 7.9
Breath Fresheners	+10.3	− 2.7	+10.5
Denture Cleaners	− 0.2	− 6.0	− 9.2
Denture Adhesives	− 2.2	− 3.2	− 2.1
Toothbrushes	+ 3.0	− 0.7	+ 6.8
PROPRIETARY REMEDIES	**− 1.7%**	**+ 0.8%**	**+ 3.8%**
Antacids	− 3.2	+ 2.8	+ 5.1
Internal Analgesics	+ 0.8	+ 4.1	+ 2.9
External Analgesics	+ 8.0	− 0.5	− 2.2
Cold Tablets	+ 1.3	+ 1.9	+ 6.9
Nasal Sprays—Drops—Inhalers	+ 0.8	− 2.2	+ 1.8
Chest Rubs	−13.6	−14.2	− 6.7
Cough Remedies	−11.7	−11.4	+ 0.4
Laxatives	− 3.2	− 2.2	− 0.7
Sleeping Aids	+14.0	+15.0	+17.9
Tranquilizers	−25.2	−29.1	−23.2
Vitamins	− 2.4	+ 1.3	+ 8.1
Eye Care Products	+26.5	+26.8	+26.2
Appetite Suppressants	−17.2	−13.5	−11.9
SHAVING NEEDS	**+ 0.4%**	**− 0.3%**	**+ 1.0%**
Shaving Creams	+ 5.1	+ 3.3	+ 4.4
Pre-Shave Lotions	− 1.5	+ 5.2	− 2.4
After-Shave Lotions	− 3.2	+ 1.7	−10.8
Razor Blades	− 0.5	− 1.8	+ 1.5
Razors & Blades	−14.3	− 9.0	− 2.7
SKIN CARE AIDS	**+ 7.5%**	**+ 3.9%**	**+ 9.9%**
Hand & Body Creams & Lotions	+11.8	+13.6	+14.0
Facial Preparations	+ 6.7	+10.3	+12.9
Lip Care Products	+ 9.2	−14.1	+12.6
Suntan Lotions & Oils	+ 5.6	−10.5	− 4.9
Cosmetic & Medicated Skin Aids	+ 1.6	+ 4.0	+ 8.7
TOTAL ALL CATEGORIES	**+ 0.6%**	**+ 1.8%**	**+ 4.4%**

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CONSUMER EXPENDITURES STUDY

PERIODICALS

Sales of periodicals are good at supermarkets, but the market is far from saturated. For continued growth, wholesalers have to do a better job of selling the category to buyers, one analyst noted.

Healthy margins, no warehousing responsibility, direct store delivery, extensive advertising and promotional work supplied by producers, high levels of consumer awareness. It sounds like the perfect supermarket product, and periodicals—as well as paperbacks and, to a lesser degree, hardcover books—continue to grow in sales.

Half of all magazine purchases for 1984 occurred in supermarkets, representing over $1 billion in sales, an increase of 5.7 percent. And though paperback sales in supermarkets account for only nine percent of the total, they also grew 7.8 percent last year on sales of $130 million.

That's a lot of trees and staples. But Jack Fitzmaurice, president of the Periodicals Institute, believes the market is far from saturated. "There shouldn't be any problem with supermarkets doing one percent of total sales in periodicals," he says. According to Consumer Expenditures Study figures, the category accounts for only four tenths of a percent of total sales.

Reasonable goal

In order for the industry to reach what he claims is a very "reasonable" goal, Fitzmaurice asserts that wholesalers have to do a better job of selling the category to buyers.

Which shouldn't be hard to do, what with 28 percent gross margins, displays and point-of-sale (POS) material provided by wholesalers, and magazines' ability, through coupons, advertisements and editorial, to lure customers into all sections of the store.

The real problem, wholesalers say, is getting general merchandise managers to make the necessary commitments of time, energy and space. Many chains and independents have built separate Family Reading Centers with up to 56 linear feet of shelf space. But others have decided to maintain their existing set-ups, consisting mainly of six to 12-foot sections.

"Flat at best"

"I think it's safe to say the trend in supermarkets is not favorable to reading centers, and we're losing space," notes a major magazine publisher and distributor, who requests anonymity. He adds that last year's sales for his line of magazines were "flat at best. There's a good reason for supermarkets to take another look...There's a line extension problem in the reading centers just like elsewhere in the supermarket, like Coke squeezing out other soft drinks. You've got more magazines in reading centers, but they're generally not expanding the space. There are more magazines competing for a limited amount of space."

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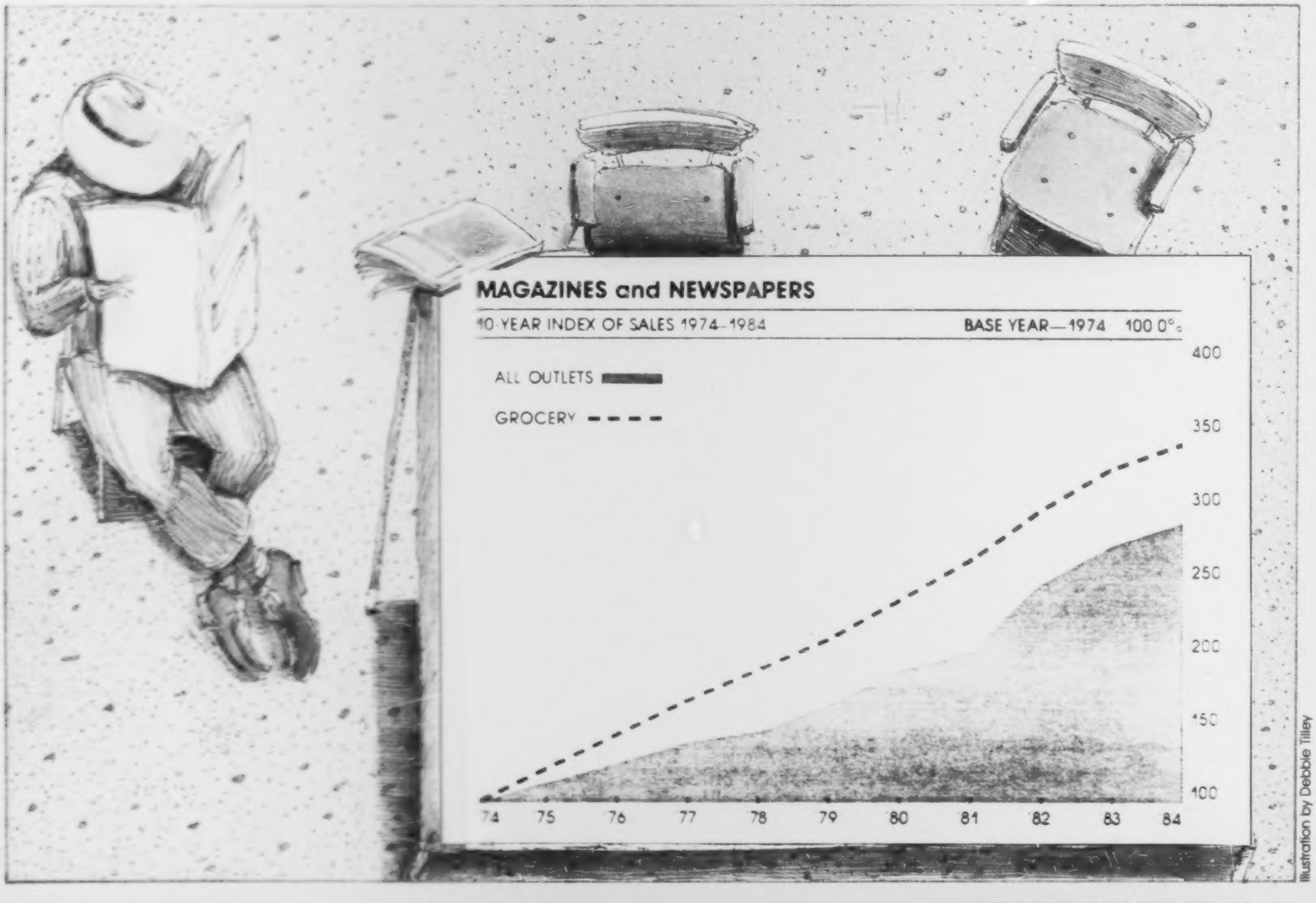

Illustration by Debbie Tilley

PERIODICALS

> "I think it's safe to say the trend in supermarkets is not favorable to reading centers," says one retailer.

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Other wholesalers and distributors of periodicals acknowledge the difficulties, such as the "guaranteed sales" concept, which means that retailers are not financially liable for those magazines they do not sell. But they claim that intensive merchandising and promotion, from the store level on up, will force operators to admit that the category is too attractive to refuse further representation.

Unlike most of the industry, which saw little if any increase in unit sales, Conde Nast's 10 titles have grown 70 percent in dollar sales and 30 percent in unit sales over the last five years.

Bill McCollough, marketing manager, attributes that growth to company programs that encourage cross-merchandising, promotional campaigns, bonus incentives to retailers and educational sources such as a recent merchandising aid insert in trade magazines that lists 22 ideas on how to maximize sales both at checkouts and mainline centers.

Additional copies

As a result, many stores now have additional copies of *Gourmet* in the deli section, and *Vogue*, *Glamour* and *Mademoiselle* in HBA departments. Promotions are conducted with wholesaler floor dumps. This fall will see a special display for *Self* that trumpets "Fall Fitness." And Conde Nast has Quarterly Plus, a plan that gives retailers a bonus payment for checkout displays in addition to the current RDA payment.

"We certainly have to be above and beyond all marketers in this industry and serve the retailer by merchandising aggressively," McCollough says. "This trend has been occurring slowly, but with the softness in the market, wholesalers realize they've got to get out and inform the retailers, and let them know how profitable the category can be."

Cross-merchandising is also encouraged by ICD/Hearst, distributors for Hearst titles as well as Knapp, ABC Leisure, Weight Watchers and Children's Television Workshop magazines. ICD also distributes Avon and Berkley books. According to Mitch Halka, vice president-director of retail sales, Knapp's *Bon Appetit* is sold in shelf extenders in deli departments, and plans are underway for placing additional copies of Weight Watchers in the frozen food section. There is also the possibility that *Video Review* will be promoted with header cards listing that month's top ten videocassettes, next to a pocket that will be placed in video departments.

Halka says the best advice he gives retailers is to treat periodicals like any grocery item—keep the section clean and uncluttered, well stocked and monitored, and give the most space to the best sellers.

One fear distributors and wholesalers shared in the last few years was the effect on periodical sales when smaller supermarkets closed and were replaced by super stores and super warehouse stores.

Although the initial concern has been softened, the combination of fewer overall checkouts and reduced shopping trips has affected sales somewhat. As Halka explains: "If a consumer is going to drop $100 per trip, she's only going to do it once a week. Because we're a high impulse item, if people see us they'll buy it. But if they only go once instead of three times a week, we'll only sell those magazines they buy on that trip."

Free-standing displays

With those conditions, innovative marketing becomes imperative. Larry Gunn, executive vice president at Time Distribution Services, Inc., sees a willingness to promote special issues with free-standing displays. For *Sports Illustrated's* annual swimsuit issue last winter, TDS installed dump displays which resulted in sales eight times higher than normal.

Yet Gunn agrees that when warehouse-type stores replace conventional supermarkets, sales do decline.

"The category is built on impulse, and the more you shop the more you buy," he says. "Warehouses promote fewer shopping trips, and we're finding that grocery dollar sales do not indicate there's going to be a commensurate increase in magazine sales."

Eighty percent of supermarket sales for the nine Time, Inc. magazines TDS distributes come from checkout racks, so policing the area, and ensuring that the displays are properly positioned and packed, becomes essential.

Many of the new marketing ideas seem to originate with paperback book publishers, distributors and wholesalers. Zebra Books, known primarily for its historical romance novels, men's adventure series, westerns and science fiction, has tripled unit sales in the last three years, according to Walter Zacharius, chairman of the board. Much of that growth comes from supermarkets, where Zebra has been able to install 27-pocket floor displays for its romance novels.

A Catch-22

But Zacharius notes a Catch-22 inherent in display arrangements: supermarkets won't give up display space unless books have high sales, but books cannot achieve high sales without sufficient display space.

To assure that his books get that floor space, Zacharius introduced a line of historical romances in August that have holograms imbedded in the front cover. Depending on the browser's vantage point, the image is of an embracing couple inside a heart, or the words "A Zebra Romance." Floor units will feature a hologram header.

Zebra plans to publish two million books a month with the hologram for most of this year.

"I don't see how it can't work, because when you see it on the rack it grabs you," Zacharius says. "It's like a fog light in the dark, or someone winking at you...Books are an impulse item, and you've got six seconds to grab the reader." Research conducted by Perception Research Services, Inc. indicates that "wink" will prove to be seductive.

Interviews with 200 women, in four different regions, who were established historical romance novel readers, revealed that the holograms doubled attention to Zebra books while increasing attention to all other competing titles by 40 percent. And a full 92 percent of the study group responded that it would seek out the symbol when purchasing a Zebra romance.

Cross-merchandising has been tested by Dell Distributing, Inc., which markets Dell and other books, for its line of children's books. According to Joe Brown, senior vice president, the experiment involved placing youngsters' books in the cereal aisle, and the strong results will probably lead to an

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CONSUMER
EXPENDITURES
STUDY

PET NEEDS

Manufacturers are going in for upscale pet products and backing them up with heavy promotions. Supermarkets are being deluged with new products, and some retailers are finding it hard to keep up.

Supermarkets are being deluged with new pet products and, while some store buyers think that's good for business, others are frustrated by the attempt to keep up.

Reflecting a general trend in consumer buying habits, manufacturers are going in for upscale pet products and backing them up with heavy promotions. But results at the checkout counter have been unimpressive in many parts of the country. The age-old debate between dry and canned pet foods remains a toss-up, as supermarket buyers across the country see little sign of a trend in either direction.

"This category is so over-itemized that it's pathetic. There are more and more flavors. Every company think they need to expand," said John Comer, buyer for Hy-Vee Stores (Chariton, Iowa), with more than 100 stores in Illinois, Iowa, Minnesota, Missouri, Nebraska and South Dakota. Despite the new products, Hy-Vee has not expanded its pet food departments and if any significant change is taking place in buying patterns, Comer sees it in a preference for canned products. "Two years ago the trend was dry. Now there seems to be some movement back to canned and smaller sizes," he said.

Pet snack items have not done particularly well in Hy-Vee stores, according to Comer.

Bombarded with new products

"Manufacturers are bombarding us with new products. When I started 16 years ago, cat and dog food could fit on one gondola. Now the departments are huge," said Tommy Biles, a buyer for Furr's Inc. (Lubbock, Tex.), a chain of 100 stores in Texas and New Mexico.

Unlike Hy-Vee, Furr's has made significant expansion to pet departments in its stores to accommodate the new products.

Also contrary to trends in the Midwest, southwestern buyers are leaning towards dry foods. "Canned pet food sales seem to be declining while dry is on the increase," Biles observed. Semi-moist products also seem to be on the decline at the moment, at least in Furr's stores. "The Gainesburger-type product isn't doing as well," Biles said.

One of the many new products doing well, according to Biles, is Ralston Purina's Happy Cat, but there may be some confusion on the part of manufacturers as to which direction to head, Biles thinks. "First they come out with something cheap, then they produce a quality product," he said.

As in much of the country, animal treats have not been moving well in the Southwest, and there is not much news in the field of cat box products. "There's been nothing new in

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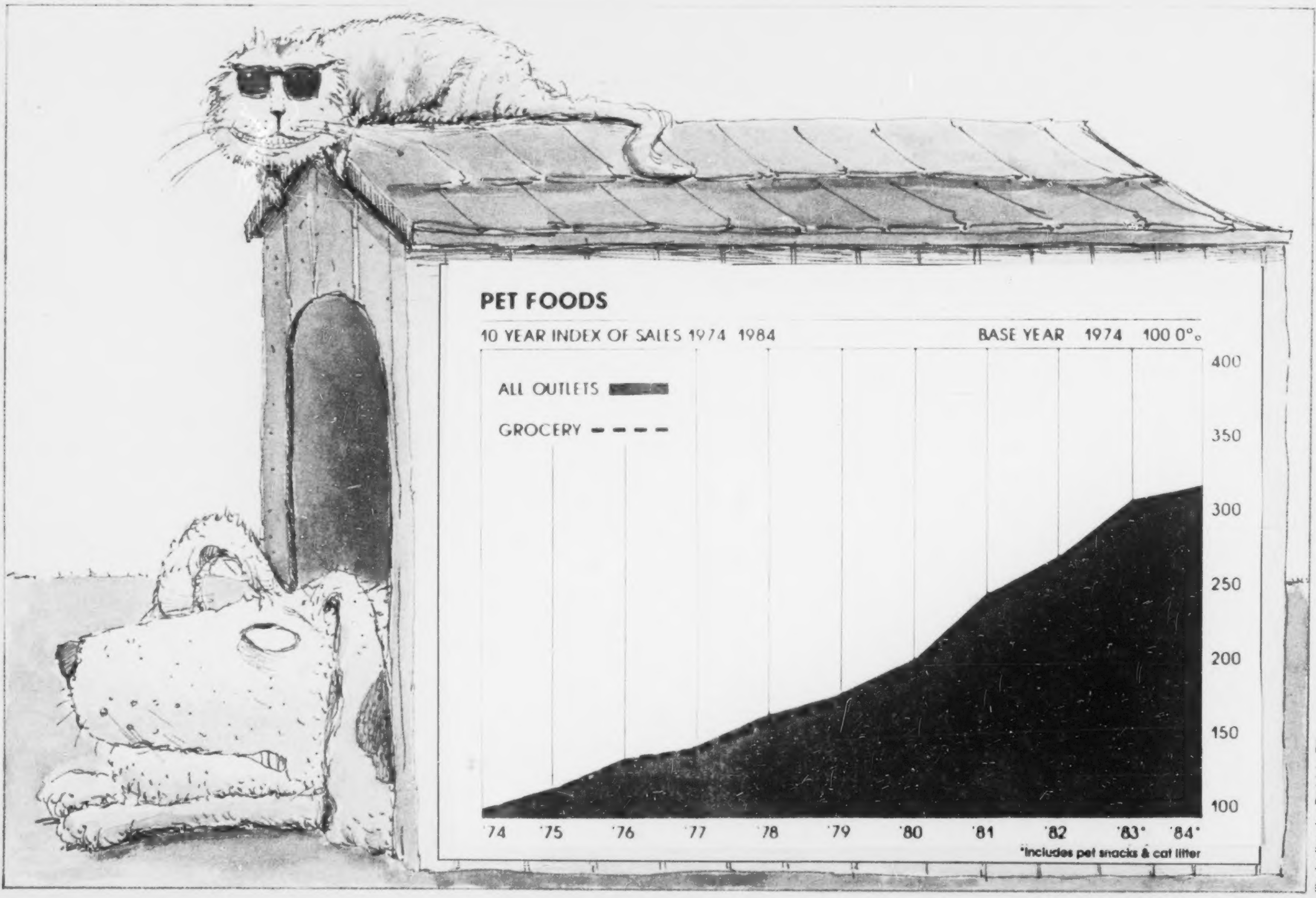

Illustration by Debbie Tilley

PET NEEDS

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cat litter since Fresh Step," Biles said. "Tidy Cat does the majority of our business. The litter market is doing well, sales continue to be strong but there's nothing really new, it's just there."

Have to give consumers a choice

In the Southeast, supermarkets are being swamped with new products in the pet food category as well. "Recently we've had to expand our shelf space because we've had to stock the products simply because they're new. You have to give consumers the choice," said Mike Medders, buyer for Piggly Wiggly Southern, based in Georgia. There are even rumors of a frozen dog food, he said.

In Piggly Wiggly stores, the expensive pet products are having trouble. "They're not selling as well as the old standbys," Medders said. While the high-protein kinds of dog foods generally have been doing well, Purina's Praise is an example of a product that has only sold well in one of its smaller size units, largely because of price, according to Medders. Kibbles and Bits, and a newer, lower-priced Kibbles and Chunks, both from Purina, are doing well, however.

"Everybody's trying to sell cat treats," added Medders, but they've had little success in the company's stores. Beatrice came out with Bonkers, but Piggly Wiggly deleted them from the shelves due to lack of activity, Medders said. Dog treat sales have also been flat generally, although the milk-bone types are the strongest of the category.

Not everyone is frustrated by the volume of new pet products. "New items help stimulate sales," said Richard Ponte, vice president for grocery procurement and sales at Stop & Shop (North Quincy, Mass.), a 117-store chain. "The problem is: how do you fit them onto existing shelf space and in warehouses?"

Scanning helps

Stop & Shop handles that difficulty through the use of its scanner checkout system that analyzes sales in every category and for each individual item. Space allotment can be readjusted every week to make room for the best sellers.

Ponte sees the biggest trend in pet products in gourmet-style cat foods. "9

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Not everyone is frustrated by the volume of new pet products. "New items help stimulate sales," says one retailer. The problem: how do you fit them onto existing shelf space and in warehouses?

HEALTH & BEAUTY AIDS

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trend away from the checkout counter placement of shaving supplies.

"We're finding a lot more end-aisle free standing displays," says Niblett.

Store owners will probably need dump bins to handle the new larger packages of disposables which Gillette sees consumers preferring.

The new products for Gillette include Atra-Plus, the traditional Atra replacement blade with a lubricating strip on the top and MicroTrac, a disposable shaver designed to meet the price and beat the performance of Good News low-cost competitors.

Niblett says Good News will remain on the market in all of its varieties.

The sales of Cold Tablets and Capsules were particularly strong in 1984 with a 12.7 percent growth spurred on by the introduction of Actifed (Burroughs-Wellcome) and the start of the worst cold and flu season in five years.

As the next flu season approaches, Eric Moyerman, product manager for SmithKline's Contact is promising "probably the biggest promotion ever."

SmithKline will be distributing over 200 million high value (over 50 cents per) cents-off coupons.

The Contact Colds/Flu Alert Program, which was featured on the *Today* and *Good Morning America* shows last year will be featured again in the fall of 1985. The spots give viewers the latest information on cold and flu outbreaks in 52 cities across the nation.

Also as part of Contact's offensive, there will be Colds/Flu Protection Guides made available at p.o.p. displays in groceries (free with purchase) and coupon ads in Sunday newspapers where consumers will be able to send in for the booklet. In addition to information on the care and avoidance of colds and the flu, it will also contain $25 in coupons for colds-related products. ■

—TED KNUTSON

INCREASES IN GROCERY STORE MARKET SHARE FOR HBA

	1984	1983	1982
Acne preparations	19	18	18
Adhesive bandages	51	50	49
Aerosol shaving cream	45	45	45
Aftershave lotions	31	33	33
Antacids (effervescent)	50	51	50
Antacid liquids	43	42	40
Antacid tablets, pills, gums, lozenges	55	55	53
Antacid powders	42	42	42
Bobby pins	26	26	26
Bulk type laxatives	14	14	12
Cold tablets, capsules	52	51	50
Color shampoo	24	23	23
Coloring preparations	15	15	15
Contact lens solutions	9	8	8
Cotton balls	36	36	36
Cotton swabs	60	59	58
Coughs & cold salves, ointments	36	36	36
Cough drops	34	34	33
Cough syrups, elixirs, expectorants	20	20	21
Denture cleaners	46	46	45
Diarrhea remedies	52	52	51
Eye lotions, washes	46	44	43
Eye makeup products	19	19	19
First aid kits	53	52	52
Gauze bandages	24	24	23
Hair brushes	33	32	32
Hand & body lotions	40	39	38
Hemorrhoidal suppositories	29	28	28
Home permanent kits, refills	19	19	20
Hypoallergenic infant formulas	85	85	85
Liquid douches	33	33	33
Makeup bases	5	5	5
Manicure implements	26	26	27
Medicated shampoo	54	53	51
Men's hair dressing	49	49	49
Menstrual analgesics	45	45	44
Mouthwashes, gargles	52	51	50
Nail polish removers	21	21	21
Nail polish & enamel	13	13	13
Nipples & pacifiers	41	44	43
Nursing bottles	17	19	18
Pin curl clips	34	34	35
Razor blades	47	47	47
Reducing preparations	26	27	26
Roll-on deodorants	45	44	43
Routine infant formulas	85	84	84
Sanitary napkins	61	63	62
Stick deodorants	61	60	61
Suntan lotions & oils	18	17	17
Tampons	58	58	59
Toothbrushes	32	32	32
Toothpaste	66	65	64
Women's hair dressing & conditioners	45	46	45
Women's hair spray	46	46	46

CONSUMER EXPENDITURES STUDY

PHOTO SUPPLIES

> The recent flood of comparatively inexpensive, highly automated cameras has had a dramatic impact on not only camera sales, but film as well.

It may not be surprising that film is the big seller in supermarket photo departments, but as camera technology continues to change, new films and new services are becoming increasingly important for sales.

As supermarket chains enjoy good profit margins on their photo departments' relatively high-priced ticket items, photo manufacturers are eagerly applauding the food industry's growing interest in nonfood items. Supermarket buyers only wish the manufacturers would devote a little more money to cooperative promotions.

The recent flood of comparatively inexpensive, highly automated cameras has had a dramatic impact on not only camera sales but film as well. Where once the Instamatic was king, now 35-millimeter cameras are the top sellers and consequently, photo stores as well as supermarkets are selling more 35mm film than anything else. While sales are respectable, even Kodak's disc camera has not enjoyed the success that the larger format, and now easy to use, cameras have had.

Faster processing demanded

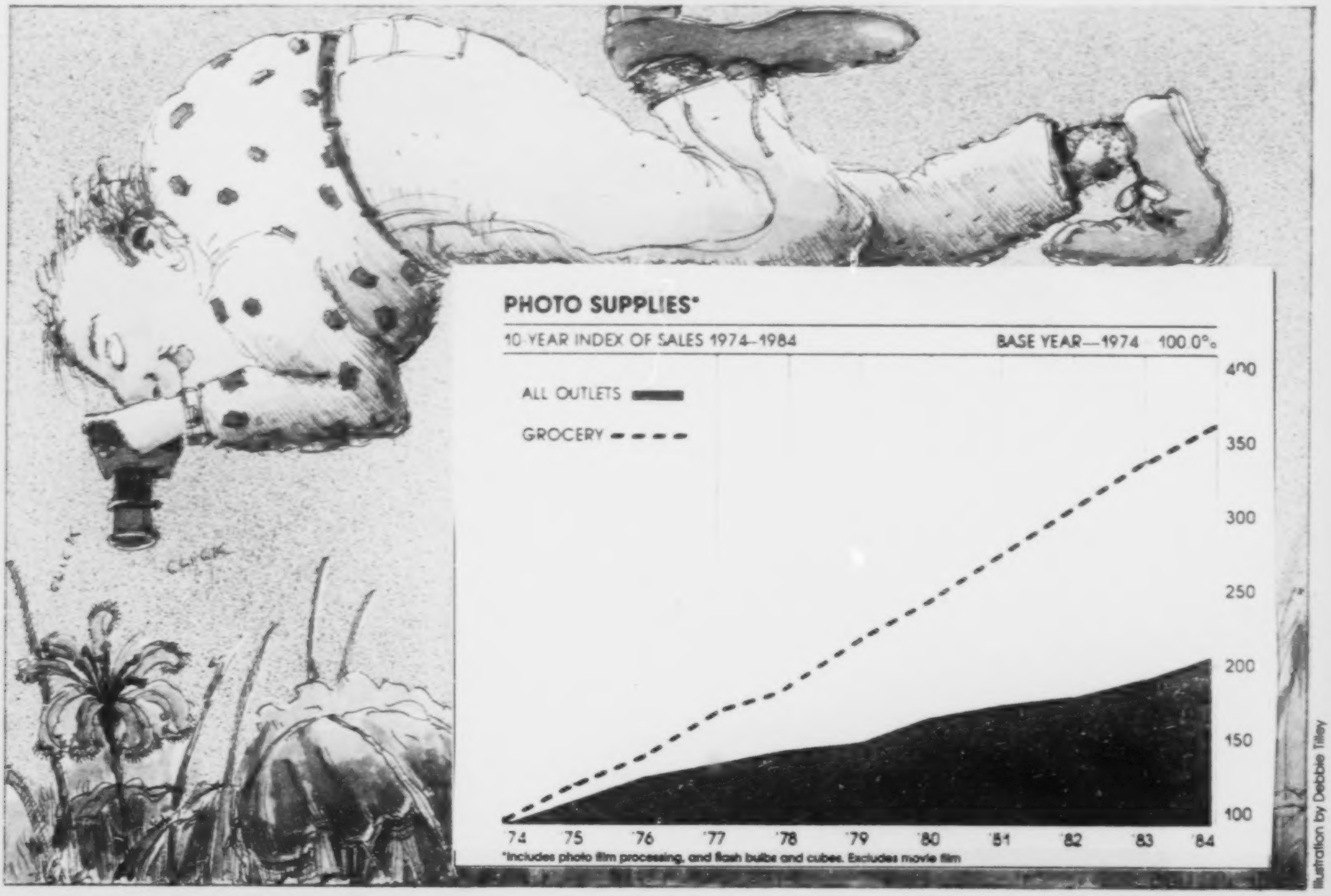
Two other developments also have affected the scope of supermarket photo departments. The industry's determination to take advantage of new life-styles and attract the consumer who has time for only one stop shopping has led many supermarket chains to include film processing in their photo services. Some even offer one-hour service so that film can be dropped off at the start of the day's shopping and picked up by the time the customer reaches checkout.

The recent boom in videotape technology and sales has also encouraged many supermarket chains to carry video supplies, an area companies such as Polaroid hope to capitalize on.

"We're selling a lot of film. 35mm is standard now but pocket and disc are also doing well," said Jerry Hebda, a buyer for Food Giant/Big Apple Super Markets (Atlanta), a chain of close to 100 stores in Georgia and Alabama. Food Giant also offers film processing, which is enjoying strong sales, according to Hebda.

"Photo supplies is definitely a growth area. We label it an opportunity for future growth," said Charles Ramsbacher, director of general merchandising for Nash-Finch Co.(Minneapolis), a chain of more than 100 stores in the Midwest. "We get people in the stores two or three times a week and the supermarket industry's share of film sales is only 15 percent," he said, explaining why there is room for growth.

Continued on page 208



*Includes photo film processing, and flash bulbs and cubes. Excludes movie film

Illustration by Debbie Tilley

CONSUMER EXPENDITURES STUDY

SNACKS

Mexican products are in, in a big way, in the snack industry. Tortilla chips sell strongly across the country, and may soon catch their cousin, the corn chip.

The battle lines have been drawn and the troops given their orders. The Mexican revolution appears to have gained the upper hand in snack food sales growth, as nacho and tortilla chips may become the most popular items in the category within a decade.

In fact, sales of Mexican-style chips are strong across the country, and may soon catch their cousin, the corn chip. The Potato Chip and Snack Food Association, an industry trade group, reports that sales for corn chips in 1984 were up 4.7 percent, while tortilla chips gained by 11 percent. And the projection for 1985 is even more striking: a 4.9 percent increase for corn chips, and a whopping 23.1 percent for tortilla chips.

Overall, the snack foods category continues to grow, according to statistics compiled for the 1985 SUPERMARKET BUSINESS Consumer Expenditures Study. Considering snacks' traditionally high margin, that's good news for supermarkets.

Total domestic consumption for 1984, about $6.7 billion, is up 5.9 percent, and sales in grocery stores and supermarkets, $4.17 billion, are up 8.1 percent, accounting for 1.65 percent of total store volume. Among the big gainers are packaged unpopped popcorn, up 34.8 percent in retail food outlets on sales of $284 million, and due, in part, to gains for Pillsbury's Microwave Popcorn and Hunt-Wesson's Orville Redenbacher's Gourmet Popping Corn, which introduced a microwave product that does not require freezing; potato chips, up 7.7 percent on sales of $1.65 billion, and corn chips, both traditional and tortilla, up 9.5 percent on store sales of $752 million.

Fastest-growing category

A Frito-Lay spokesman characterizes tortilla chips as "definitely the fastest-growing category," and interviews with supermarket retailers bear him out.

"It's a very, very big category for us," says Wylie Holmes, buyer/merchandiser for The Cullum Companies, Inc. (Dallas). The chain's 55 stores sell several different brands, and Holmes notes that Tostitos, the restaurant-style tortilla chip, has just about pulled even with Doritos in sales.

"It's going so fast it's almost unbelievable," Holmes says. "All the companies are promoting it tremendously, so the category can't get stagnant. And even if the snack companies don't push it, the hot sauce people will or the Mexican food people will."

Dan Nelson, director of purchasing at Dominick's Finer Foods, Inc. (Northlake, Ill.), says that the hottest snack food for

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Illustration by Debbie Tilley

SNACKS

The reason most buyers cite for the increasing popularity of tortilla and nacho chips is the growing familiarity with and acceptance of Mexican cuisine in general.

Continued from page 178

the chain's 82 stores is also Mexican-style chips. "They're the fastest growing section in the category. They're far outpacing the growth of potato chips. Most new items tend to come from that part of the business."

Mexican familiarity

The reason most buyers cite for the increasing popularity of tortilla and nacho chips is the growing familiarity with and acceptance of Mexican cuisine in general. As fast food chains such as Taco Bell and Del Taco proliferate, and upscale restaurant franchises like Bennigan's add Mexican items to their menus, the pool of consumers for packaged Mexican food rises accordingly. And the category is by no means skewed to geography, demographics or ethnic groups.

Mexican-style chips may become the biggest item in all of snack foods for his chain's 57 stores, according to Ed Corral, buyer/merchandiser for Fred Meyer, Inc. (Portland, Ore.). "Potato chips will continue to increase," he says, "but I think tortilla chips will overtake potato chips in the next five years. They sell even without a high Hispanic population," he says.

Tortilla chips are still hot at all 32 Foodtown Stores, says Tony Kluxen, director of grocery merchandising for Mayfair Super Markets, Inc. (Elizabeth, N.J.). He adds, though, that national trends, combined with astute merchandising, have enabled the category to grow constantly.

"In general," Kluxen says, "snacks are great items to produce impulse sales. You can create your own sales benefits and reap the advantages with your promotions. With a little creativity on your part, and some help from the manufacturers, your sales potential is unlimited." He notes that the chain's private label line of snacks sells well because of low price and quality comparable to national and regional brands.

Easy, quick and convenient

"The entire category will grow, since people tend to buy things that are easy, quick and convenient, and snacks are a consumable. When a person buys a bag of potato chips, they don't bring it into their house and eat it in a month; they eat it in a week," Kluxen says. He adds that by their nature, snacks lend themselves to impulse sales, and Mayfair constantly ties them in with seasonal and holiday promotions.

Overall, 315 new snacks were introduced in 1984, 29 fewer than in the previous year. This decline in product release reflects a general decline in product introductions for last year, notes Robert McMath, chairman of Marketing Intelligence Service, Ltd., Naples, N.Y.

The rate of growth for Mexican-style snacks is high, however, McMath says, as both national and regional brands add to their product mix. McMath's research firm does see more snack foods introduced with reduced salt, but snack foods with no salt do not appear to be high-growth items.

A vanity product

"The difference between sugar products and salt products is that sugar is a vanity product," McMath says. "Salt is more of a physical concern, for people with hypertension, whereas sugar is avoided for reasons of dieting to lose weight."

He adds that the problem with no-salt snack foods is that the consumer has grown accustomed to the presence of sodium and the taste it imparts, and the industry has yet to discover a salt substitute that satisfies the taste for salt as effectively as aspartame does for sugar. And with the exception of Fruit Roll-Ups by Betty Crocker and Fruit Rolls by Sunkist, most snack foods are not in the vanguard of the much-touted "healthy" foods stampede because of consumer perception of the role snacks play in their lives.

"People like to talk about health and thinking they are eating more healthy foods," says McMath. "They like to think they're doing better with their system. But when it comes to taste, they'll indulge themselves. And that's what snacks are: an indulgence. It's a reward. People don't like to penalize themselves and that's why taste is so important."

Market segmentation

McMath observes a continued emphasis on market segmentation, and his views are echoed by Frito-Lay. "We're committed to a long-term strategy of product segmentation," says a spokesman for Frito-Lay. "We believe that's how the industry will continue to grow, and that's how we're going to grow. By continuing to innovate and finding real niches, there will be healthy growth."

Much of that growth will come from smaller regional or local manufacturers who, because of their proximity to the markets they serve, are able to adapt and adjust to changing consumer tastes within their region.

Most of the snacks that can be classified as "healthy" are being made by these companies, although the majors such as Borden, Inc. and its seven regional snack companies, and Charles Chips, Inc., whose products are distributed in 44 states, have products with reduced salt and other concessions to consumers concerned about the ingredients and formulations in their snacks.

Charles Chips is just one of the many manufacturers that stress the healthfulness of their products. Its potato chip line uses 100 percent cottonseed oil and the product contains no cholesterol and is high in polyunsaturates, a fact that is prominently displayed on all packaging, according to company president Stephen Musser. The company manufactures a complete line of snacks, including no-salt potato chips, popcorn, pretzels and tortilla chips, all of which sell strongly, says Musser.

"When we first started making no-salt products, it used to be a half-hour of our production time a day. Now it's two to three hours a day. People are becoming more educated to health and the advantages and disadvantages of eating different types of foods," he notes. He adds that of the recent product introductions, the most popular is a thick-cut bacon and cheddar cheese-flavored potato chip.

Is bigger better?

Laura Scudder's, Inc., is a regional manufacturer that proves that bigger is not necessarily better. Through a shrewd strategy of constant promotion, introducing products based on intensive market research and determining its priorities, the Anaheim, Calif.-based company has carved out an enviable share of the Western market. The success of that strategy is confirmed when a buyer for Los Angeles-based Hughes Markets, Inc., reports that Scudder's line is the chain's best seller.

The fact is especially

impressive when considering the length of the present management's stewardship. In December of 1983, a group of private investors purchased the company from Pet Foods, which had purchased it from another multinational corporation. Returning to its original status of a locally owned firm, Scudder's expanded and heavily promoted its product line. When once it was known primarily for potato chips, the company is now also a market leader in tortilla and corn chips.

"We've left practically no stone unturned," says Frank Martin, senior vice president-marketing. "We've picked up on that competitive pace and moved on product distribution. We've added a lot of routes and greatly increased consumer promotion and advertising."

Give the people what they want

Most important of all, Scudder's has added products that the market really wants. Among these are a line of potato chips, tortilla chips and corn chips with half the salt, and Tortilla Strips, a rectangular chip in white and yellow corn. And when the products don't move as quickly as hoped, Scudder's does not hesitate to experiment with different sizings and packaging. Both Tortilla Strips and Mini-Tacos, a round tortilla chip, were repackaged and repriced, and experienced significant sales growth.

"Every two weeks last fall, we introduced something different," Martin says. "What we've tried to do simply is aim our resources at the profitable growth categories; be a broad-based snack company, and make it a whole company commitment.

"You have to be willing to make the investment in money, in resources, marketing funds and people's time. We've attempted to promote in a balanced fashion so all the products worthy of supermarket share get their rightful space on the supermarket shelf." ■

—PETER LEVITEN

AUTOMOTIVE SUPPLIES

Continued from page 114

(Salisbury, N.C.), which carries no auto supplies in any of its 293 stores. "We want to be the top store for groceries, and our stores are generally smaller than a Kroger, for example, so we really haven't had the space for auto supplies," a buyer there explains.

Of course, this is not to say that the category has no place in a supermarket. It's just not a real high-priority ticket. Those chains that decide to stock the sections report moderate success. The Cullum Companies, Inc. (Dallas) have used cross-merchandising—pegged products and air fresheners—to some effect, while dropping other accessory items.

More aggressive marketing

First National Supermarkets, Inc. (Windsor Locks, Conn.) reports a healthy increase in sales for the category. "We became more aggressive as a chain in motor oils, additives and wipers in our stores," says Marty Lev, vice president and general manager. First National operates 67 Finasts and 13 Edwards Food Warehouses in Connecticut, Massachusetts, New York and Vermont, and the instore auto departments, which are in half of the chain's stores, range in size from four to 72 linear feet.

Lev notes that much of the reason for the growth is due to the fact that First National began carrying the products on a substantial basis only within the last 15 months.

The chain plans to introduce a private label auto supply line, primarily chemical, next year. First National promotes the category both instore and through ads in monthly circulars. "The strength is in the chemicals," Lev says.

"But more and more people are doing their shopping in one place, and more men are shopping. We've found that upgraded accessories, in stores where there is room for them, are selling. We used to sell mats for $4; now it's not uncommon to have $14 mats. It's not too easy to cross-merchandise, but we will have flashlights, gloves, batteries, rags and in the winter, snow shovels, with the oils and waxes.

"If better accessories are exposed and better supplies are exposed, they can sell well. It's a very, very, strong trade name category," he concludes. ■

—TED KNUTSON

GROCERY STORE CONTRIBUTION TO HBA* INCREASES 1984–1983 FOR 10 GROUPS AND SUB-GROUPS

	1984 SALES (000)	1983 SALES (000)	1984–1983 SALES INCREASE (000)	GROCERY STORE SHARE OF INCREASE
Total HBA (non-Rx)				
Grocery Stores	$10,331,686	$ 9,600,943	$ 730,743	36.7%
All Outlets	$27,768,467	$25,778,220	$1,990,247	
Cosmetics				
Grocery Stores	$ 529,295	$ 494,200	$ 35,095	13.1%
All Outlets	$ 4,249,531	$3,981,400	$ 268,131	
Deodorants, Anti-Perspirants				
Grocery Stores	$ 569,675	$ 530,970	$ 38,705	62.8%
All Outlets	$ 1,055,392	$ 993,780	$ 61,612	
Vitamins, Tonics				
Grocery Stores	$ 491,220	$ 477,840	$ 13,380	23.5%
All Outlets	$ 1,350,894	$ 1,293,960	$ 56,934	
Oral Hygiene Products				
Grocery Stores	$ 1,122,747	$ 1,084,950	$ 37,797	65.3%
All Outlets	$ 2,076,029	$ 2,018,130	$ 57,899	
First Aid Products				
Grocery Stores	$ 209,424	$ 200,060	$ 9,364	64.2%
All Outlets	$ 475,391	$ 460,800	$ 14,591	
Analgesics				
Grocery Stores	$ 827,266	$ 758,930	$ 68,336	50.2%
All Outlets	$ 1,899,250	$ 1,763,000	$ 136,250	
Cough Medications				
Grocery Stores	$ 216,239	$ 201,100	$ 15,139	20.9%
All Outlets	$ 1,121,416	$ 1,049,080	$ 72,336	
Shaving Products				
Grocery Stores	$ 553,156	$ 544,340	$ 8,816	11.5%
All Outlets	$ 1,660,118	$ 1,583,570	$ 76,548	
Hair Products				
Grocery Stores	$ 1,462,900	$ 1,411,590	$ 51,310	52.2%
All Outlets	$ 3,720,731	$ 3,622,400	$ 98,331	
Infant Formulas				
Grocery Stores	$ 905,486	$ 829,480	$ 76,006	88.3%
All Outlets	$ 1,066,923	$ 980,810	$ 86,113	

*(Non-Rx only)

SOFT DRINKS

The cola wars raged on heatedly, as Coke and Pepsi renewed their battle for soft drink supremacy. Coke got a new recipe, and the consumer got a choice of new or old Coke.

It is not a question of what happened in the soft drink industry during the year past. It is more a question of what did not happen.

A year ago, who would have imagined that Coca-Cola (Atlanta, Ga.) would change the 99-year-old secret formula of its flagship brand, an event that would make headlines—and headaches—nationwide? That just three months later, the company would admit (almost) that it had made a mistake and bring back the old formula as Coca-Cola Classic. Or that Pepsico (Purchase, N.Y.) would enjoy a morale-boosting year almost like no other, one that would be bolstered by wide success with a non-cola product, Slice, which contained 10 percent real fruit juice. Or that, just to keep things interesting, the number three cola company, Royal Crown, would pledge its intention to do battle more aggressively with the big two.

But a story that caught almost everybody by surprise during the year gone by is not of cola wars or juiced-up soft drinks. Rather, it is of a 13-year-old diet drink that earned an unsolicited plug, and that went on to take the Midwest, and beyond, by storm. It is the story of Canfield's Diet Chocolate Fudge Soda (See related story, p. 187).

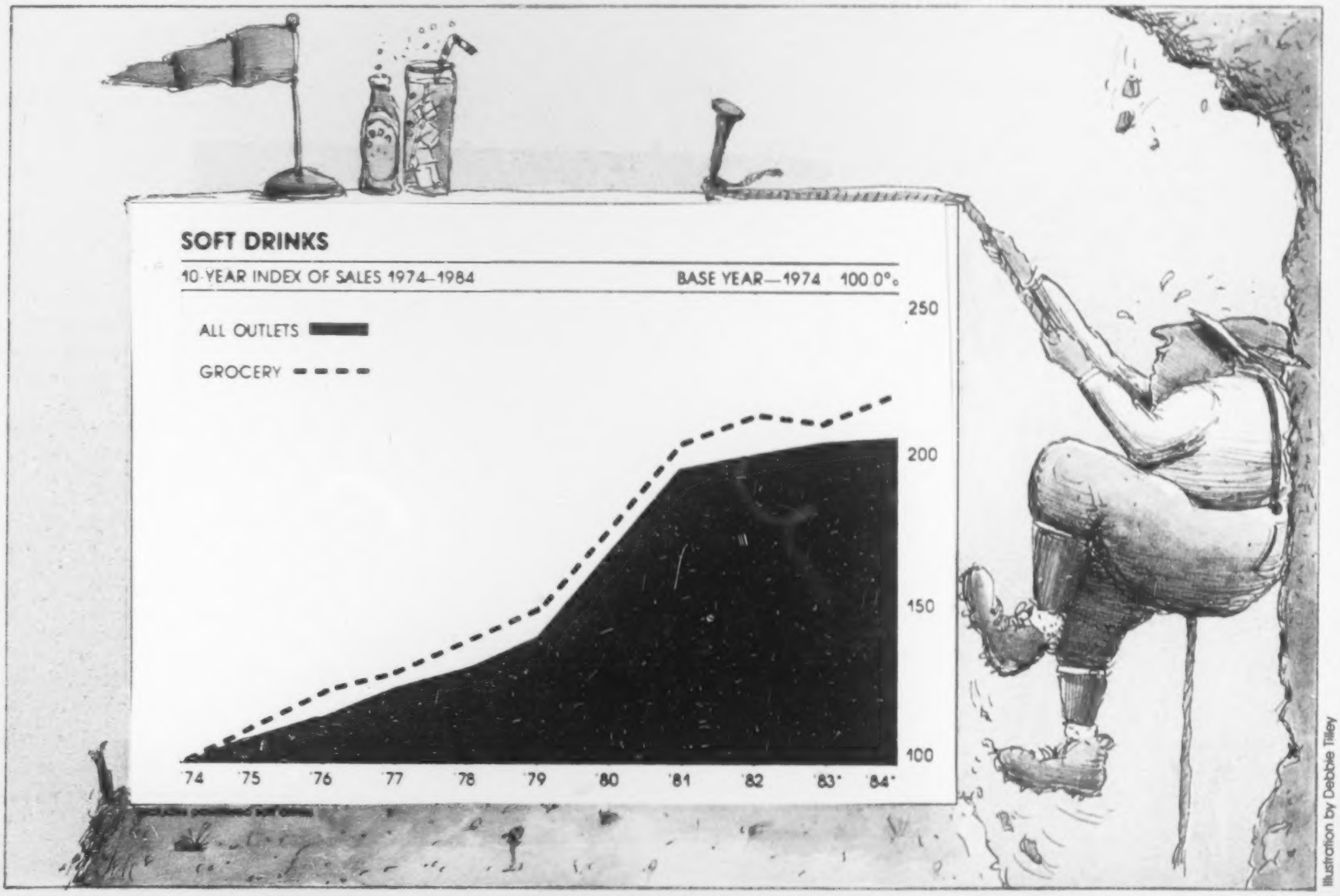
Numbers up

Of course, it was not just a good year for Canfield's, but for the entire soft drink industry as well. Grocery stores provide 57 percent, or $6.5 billion, of the overall $11.3 billion soft drink sales in the U.S., and the 1984 sales were up 3.7 percent, from $6.3 billion. This rate of growth was slightly higher than that of the overall category, which grew 3.1 percent, from almost $11 billion in 1983.

In the past few years, soft drink sales in grocery stores generally have outpaced the overall category. While grocery store soft drink sales are up 117.4 percent over a decade ago, in total outlets sales of soft drinks are up 109.4 percent. This is a small difference of a few points but for the fact that in this $6.5 billion business, one percentage point is equal to $65 million, which is a lot of money even to companies like Coca-Cola and Pepsi, and explains why they struggle so for a single point of market share.

The big growth in grocery store sales can be attributed to the increasing popularity of low-calorie beverages, which grew an average of 6.5 percent in bottles and cans; in non-diet beverages, growth during 1984 was just over 2.2 percent.

A new study by M. Shanken Communications, Inc., entitled "The Impact of Beverage Trends in America Review and Forecast, 1985 Edi-



*Includes powdered soft drinks

Illustration by Debbie Tilley

Diversity within the soft drink category has been the primary reason for its growth. New segments have given the whole category the flexibility it needed in an evolving market.

tion," reports that as soft drinks replaced water as the most consumed beverage during 1984—25.5 percent of America's beverage consumption is of soft drinks, while water is just 24.9 percent—a boom is under way for what it calls "no" beverages, that is, those with no calories, caffeine or additives.

Choosy consumers

According to the report, however, Americans seem to be choosy about exactly what they want their beverages to be without. It suggests that "no calories" is of prime concern, and that 96 percent of the increase in soft drink consumption during 1984 can be attributed to aspartame-sweetened sodas—indicating that "no additives" is of lesser concern.

Current cola wars notwithstanding, the report says that diversity within the soft drink category has been the primary reason for its growth. Segments and sub-segments—such as soda with real juice— have given "the whole category the flexibility needed in an evolving market."

But if segmentation of the soft drink market is what makes it grow, it remains the cola wars that attract all the attention. It certainly is on the minds of retailers, who told SUPERMARKET BUSINESS that New Coke was neither a huge hit nor a big flop, that they detected no great outcry among their consumers for old Coke, that any new product from Coke would be placed in existing Coke shelf space, and that sales of Pepsi, once new Coke was introduced, were slightly, but not significantly, higher.

The competition between Coke and Pepsi even hit new heights during the summer, as both companies sent specially designed, gravity-free cans of their product into space on board the space shuttle to test new technology and gain a public relations edge over the other.

Report from the cola war front

Any report from the cola war front takes on familiar shape because of the exhaustive press coverage accorded the competition. In a nutshell, the pace of battle was as follows:

In April 1985, faced with a declining market share in supermarkets (17.9 percent of sales, versus Pepsi Cola's 19.6 percent), Coca-Cola announced with great fanfare the reformulation of its 99-year-old flagship brand. "The best has been made even better," Coke chairman Roberto C. Goizueta said in announcing that Coke would have a new, sweeter taste. A taste, Pepsi USA president Roger Enrico said, that was more like Pepsi's.

Three months later, faced with an apparent lack of growth on the part of new Coke and well-publicized and increasing outrage from the consuming public, the old formula was back as a line extension of the new Coke. Coca-Cola Classic, it is called; "we have heard you," Goizueta said to consumers, noting that the two products added up to "the most formidable mega-brand in the soft drink industry."

Pepsi's Enrico was, to say the least, chortling in public about Coke's seeming about-face. He called the new Coke "the Edsel of the eighties," and said that Coke's mega-brand claim "does not sound like legitimate segmentation to me." Analysts' reactions were mixed, as many believed that Coke's new strategy would put the company in an enviable marketing position.

Meanwhile, Royal Crown Cola, which occupies the third cola position, announced its intention to play David in a battle against Goliaths Coke and Pepsi. James Harralson, executive vice president and c.o.o of Royal Crown Cola Co. (Rolling Meadows, Ill.), said that former management took the attitude that "when the big boys came to town, you didn't do anything to counter it."

No more, Harralson said. "I'm not willing to eat crumbs." Royal Crown faces a competitive disadvantage—only 80 percent distribution throughout the country—but Harralson declared that he intends to fight at the consumer and bottler levels for every dollar he can, and to do so for RC Cola, Diet Rite Cola, and for the Nehi line of natural fruit beverages. "I'm going to keep the cola wars very much alive," he said. "I want them to know that there is a feisty number three out here."

No accounting for taste

Despite the fact that Pepsi is adamant that taste tests prove conclusively that consumers prefer the taste of Pepsi, company spokesman Kenneth Ross admitted that to a great degree "soft drinks are a necktie product. Just as the necktie you wear makes a statement about you, so does the soft drink you buy."

In other words, people purchase image rather than taste. Ross also agreed that taste tests are subjective things, but pointed out that Coke never combatted the Pepsi challenge with its own tests.

(ABC-TV's newsmagazine "20/20" conducted a nationwide taste test at the height of the cola wars in July. According to the results, new Coke was most preferred, followed by Pepsi and RC Cola in a dead heat, and then by old Coke in the last position. The show even gave the test to a group of people who had banded together to pressure Coca-Cola to bring back the old formula, including one man who reportedly spent $50,000 of his own money on the campaign. Overwhelmingly, members of the group, including the man who was $50,000 poorer for his efforts, could not tell the difference between any of the colas.)

Statistics indicate that both Coke and Pepsi may have good reason to be so concerned about their relative positions in the cola wars— since 1977, both colas' shares of supermarket sales have been on the decline. In 1977, Pepsi had a 22.1 percent share of the market, compared to Coke's 21.7; eight years later, Pepsi had declined more than two points, and Coke more than three.

These same figures confirm that, while the fight may be waged most visibly over colas, market segmentation is indeed giving the two companies overall stronger positioning. In 1984, all of Coca-Cola's products achieved a 31.3 percent share of market, compared with Pepsi's 29.7 percent share. Eight years before, Coke's products had only a 28 percent share of market, and Pepsi's a 27.5 percent share.

An experiment in segmentation

One of Pepsi's strongest experiments in segmentation came this year with the introduction of Slice, in both regular and diet versions, with 10 percent natural fruit juice. Directly in competition with 7-Up, the nation's fourth most-popular soft drink, which has been on the skids of late (7-Up executives could not be reached for comment), and with Coke's Sprite offerings, Slice reportedly has been a marketing success beyond Pepsi's expectations. Ross said that national roll-out of the product is in full swing.

Indeed, Ross said, "Slice has surpassed Sprite and become the number two (lemon/lime) drink in most markets it is in." The only significant problem being encountered, according to Ross and several retailers, is in markets where Pepsi bottlers also handle 7-Up, and are reluctant to part with that part of their business. "It is a tough problem, but certainly not an impossible one," Ross said.

Coke's attitude towards its flagship brand, and its willingness to segment and extend it, has changed dramatically of late. It was just a few years ago that using the Coke name on anything but the original formula was forbidden; today, six products bear that name: Coke, Coke without caffeine, Diet Coke, Diet Coke without caffeine, Coke Classic and Cherry Coke, which was introduced this year. (No word on whether Coke Classic will be introduced in a caffeine-free version.)

Coke executives, however, seem unwilling to speak about this change in philosophy. Several phone calls to the company netted only a spokesman willing to read directly from back issues of press releases, revealing only that Cherry Coke's test marketing numbers "exceeded those of Diet Coke when it was rolled out," and that the company's Minute Maid orange soda, with 10 percent real orange juice, is being rolled out at this time in select test markets.

Doctor's orders

When Cherry Coke was introduced this year, it was seen as a direct assault on territory previously owned by Dr. Pepper. But the Dallas, Tex.-based company seems unfazed by Cherry Coke, maintaining that the two products are not really competitive. Jim Ball, a spokesman for Dr. Pepper Company, said the first six months of this year have been the company's best in terms of case sales for a six-month period. Ball also said that the Northeast, traditionally a place where Dr. Pepper is not terribly popular, had the greatest growth over the previous year, at 9.5 percent.

Ball said Dr. Pepper will continue to extend its line of Welch's brand fruit-flavored soft drinks, with a peach flavor being test marketed in Mississippi at the present time.

With Coke's Minute Maid, Pepsi's Slice, Dr. Pepper's Welch's line and Royal Crown's Nehi line, fruit-flavored soft drinks may be the coming vogue. And along with the major companies, numerous smaller firms are looking to get in on the action.

Among them is Napa Naturals, which features two product lines: four flavors of soft drinks with 51 percent real juice, and an equal number of flavors of sparkling mineral water as its diet segment. Bruce Nevins, vice chairman of Adams Natural Beverage Company (Sacramento, Calif.), said that he intends to capitalize on publicity generated by Slice's success and ask a simple question: "Who's got the juice?" (Can "Where's the juice?" be far behind?) ■

—KEVIN COUPE

Canfield's Diet Fudge Soda: A Low-Calorie, Sudden Success

Chicago's Canfield Beverage Co. is a four-generations-old, privately held company that has been making Diet Chocolate Fudge Soda for more than a decade. This year, however, lightning struck twice. First, there was NutraSweet, which gave the concoction (which, incidentally, contains no chocolate or fudge—both would add calories) a new taste.

Second, and perhaps more important, there was *Chicago Tribune* columnist Bob Greene, who lost and kept off 22 pounds by using the stuff. Greene waxed eloquent in print last January, praising it as a soda that is "like eating hot fudge." Greene's column was syndicated nationally, and a craze was born.

Alan Canfield, executive vice president of Canfield Beverage Co., said that the results of Greene's testimonial have been extraordinary. "During 1984, and during every year we sold Diet Chocolate Fudge Soda, we would sell about 1.5 million cans," he said.

"Now, suddenly the whole world is craving it, and during the first seven months of 1985 we sold 100 million cans." By the end of the year, according to Canfield, sales should be in excess of 200 million cans, sold almost exclusively through food stores; Canfield's has been forced to add almost 200,000 square feet in manufacturing space to accommodate increased production.

Power of the press

"It just goes to show you the power of the press," Canfield said. In 1984, the soda—and the other flavors in the company's line—was sold in just four states: Illinois, Indiana, Michigan and Wisconsin. Today, Canfield's products are in all 50 states, plus Israel, St. Thomas and Jamaica. Arrangements are being completed with Australia, and even China is getting into the act. (Canfield said the only impediment to shipping to China is that country's inclination of trading for goods rather than paying cash; "they want to pay us in silks and precious metals," he said. "We just can't figure out the exchange.")

While Canfield complains that he cannot make the product fast enough to meet the demand, other companies are joining the fray. Yoo Hoo Chocolate Beverage Co. (Carlstadt, N.J.), Vess Beverage Co. (St. Louis, Mo.) and Consolidated Foods Co. (Chicago, Ill.), maker of Shasta soft drinks, are among the companies bringing out diet chocolate fudge sodas. But while "I'm just a small beverage company and I hate to go out taking on other small bottlers," Canfield is doing exactly that—in court.

Canfield maintains that his company owns the name "Diet Chocolate Fudge Soda," and is suing competitors to stop them from using the name. He already has won a preliminary injunction against Vess Beverage Co., a 27-page court statement forcing that company to withdraw its product. "I try to be nice by writing them a letter and asking them to withdraw their products," Canfield said. "If they don't, we sue them"—albeit one at a time. "We're just a small company, and can't afford to sue everybody at once."

Yoo Hoo appears to be the next company on Canfield's list, having recently received a letter from the Chicago manufacturer; Patrick Ferro, president and ceo of Yoo Hoo, said his company's attorneys are examining the issue. However, Ferro called Canfield's attitude "counterproductive," and said that unless open competition is encouraged, the diet chocolate beverage business could end up being a fad rather than legitimate and long-term segmentation.

"I would really prefer if Mr. Canfield conducted his fight in the marketplace rather than in the courts," Ferro said. "That way, the consumer would be the winner."

Rebuilding a franchise

Yoo Hoo's attitude is understandable, since its version of diet chocolate fudge soda is helping the company rebuild its franchise. Since its introduction in May 1985, Yoo Hoo's diet fudge soda has sold six million cans, according to Ferro; at the same time, regular Yoo Hoo has doubled its sales during the last four years, a trend Ferro attributes to more aggressive marketing and a reformulation of the product.

Ferro is blatant about his debt to Canfield's. After seeing the Bob Greene column, "we realized it was a good opportunity to get Yoo Hoo into the diet market, which we had never been in before." Ferro says the only negative experience attached to the move into diet drinks is that people associate the carbonated diet soda with the non carbonated regular Yoo Hoo. "People shake it up like the regular drink, and end up taking a bath when they open it," he said.

While Canfield is fighting off small bottlers, he said he is not *too* concerned that Coca-Cola and Pepsi will find the segment an attractive one, "though if they got into it, they could make our lives miserable."

Retailers, on the other hand, don't seem to be too concerned at all about this new craze. Most of them are surprised but happy about the enthusiasm for diet chocolate fudge soda—no matter who makes it—among their customers, commenting that the six-packs veritably "flew off the shelves once it was delivered." ■

—KC

CONSUMER EXPENDITURES STUDY

TOBACCO

A smoke storm of new brands and extensions of existing brands has crumbled the old 20-cigarettes-per-pack, 10-pack-per carton, all-at the-same-price standard.

Traditionally, all the chips in the mega-stakes poker game called cigarette marketing looked pretty much the same. Sure, some chips claimed to have *more* of something (usually length), or *less* of something (usually tar and nicotine). But out on the table—stripped of their expensively glossed imagery, it was their sameness rather than their differences that stood out.

No longer. While it's true that the same six major manufacturer players are sitting around the table, they've imaginatively, perhaps even brazenly, changed the rules of the game. And the consequences of those changes are being felt through the supply pipeline, from manufacturer to warehouse to checkout counter.

A smoke storm of new brands and extensions of existing brands has crumbled the old 20-cigarettes-per-pack, 10-packs-per-carton, all-at the-same-price standard.

These structural changes are occurring in what is generally agreed to be a "mature" industry that reached its peak in unit sales in 1980 and will continue to slide slowly but irrevocably downward. John C. Maxwell, of Furman Selz Mager Dietz and Birney (New York City), a widely respected industry analyst, expects sales this year to fall off between one-half to one percent. "And I see this continuing into the foreseeable future," says Maxwell.

Black and white

Given the background of an industry that came to realize it had finally run out of real growth, the catalyst that signalled the advent of a multi-price restructuring was the introduction of generic cigarettes by Liggett & Myers in 1981.

Acceptance of that second price tier for cigarettes has since led to the following:

☐ **Discount 20's**—Doral (R.J. Reynolds). Same price as generics.

☐ **Mid-price 20's**—Stride (Liggett & Myers). Priced halfway between conventional 20's and generics.

☐ **Value-Added 25's**—Sold at same price as conventional 20's. Pioneered by Century (R.J. Reynolds), and later joined by Richland (Brown & Williamson) and Players (Philip Morris).

☐ **Convenience 25's**—Sold at a 25 percent premium to conventional 20's. The Marlboro (Philip Morris) extension was first, with Newport (Lorillard) and Pall Mall (American Tobacco) extensions currently in test.

☐ **Premium-Priced 25's**—Offered at a higher price than conventional 20's. Two brands currently being tested: St. James Court (Brown & Williamson) and Ritz (R.J. Reynolds).

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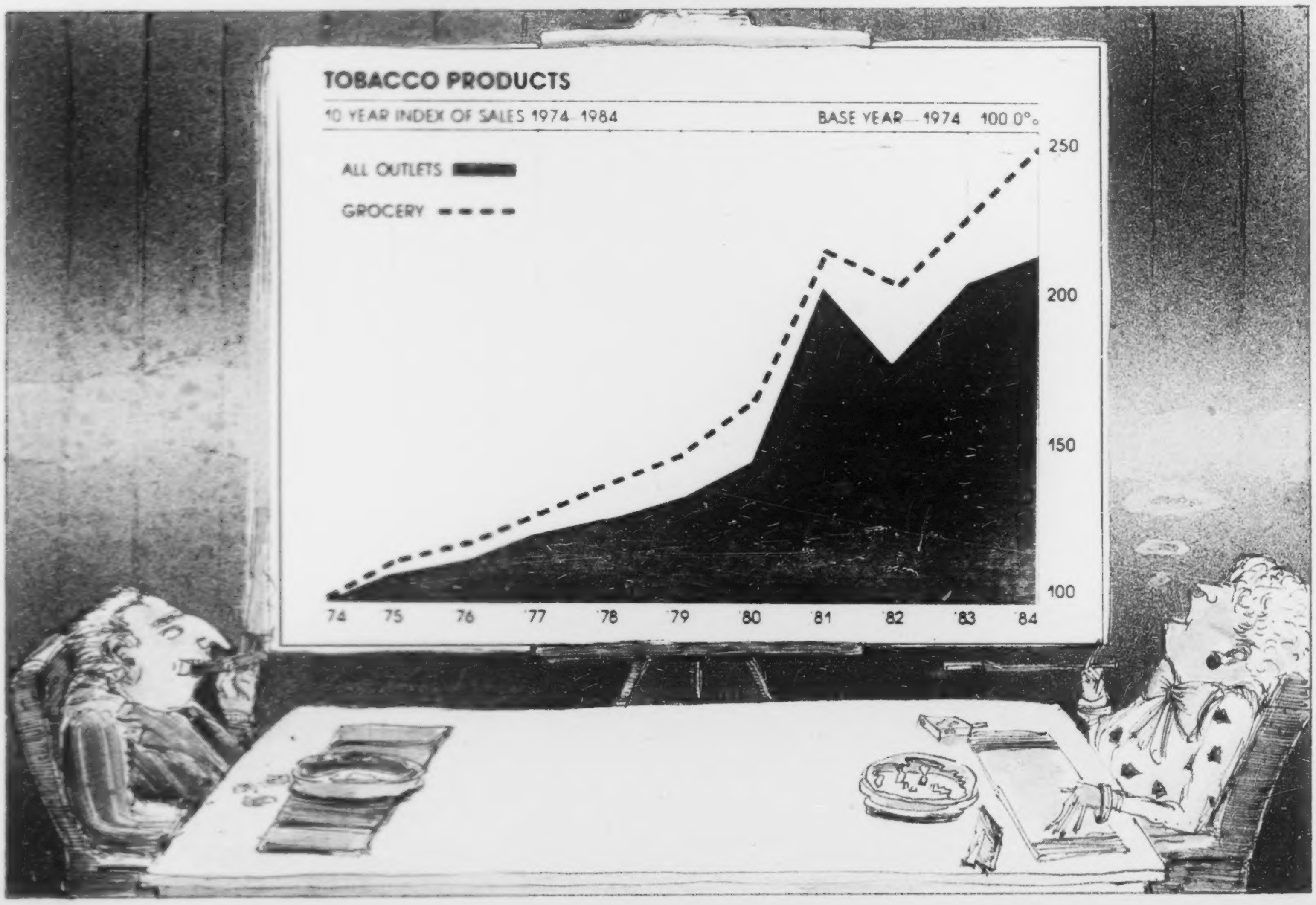

Illustration by Debbie Tilley

TOBACCO

The niche that was most difficult to establish in terms of logistics was the value-added 25's. There is still some retailer resistance, but the category is growing.

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While the proliferation of different pack sizes and prices is breaking new ground on this side of the Atlantic, it has been an established practice in various European markets for years. Adoption of such a system in the U.S. may have been an eventuality, but the swift success of generics in the U.S. hastened the day.

Liggett's line of generics was one of precious few success stories in a lackluster 1984, with its sales vaulting by 43 percent. (The only two other gainers among leading sellers were Marlboro and Newport.)

What Maxwell labels the "generic/discount" category achieved a 5.5 percent share in 1984 and has increased to 6.5 percent in the first half of 1985, divided between generics (five percent) and branded discounts (1.5 percent).

Harold A. Grant, vice president sales and marketing, of Liggett & Myers predicts a continuing widening in the acceptance of generics, during which time it will even shed its black and white birthmark. "About 75 percent of the generic business is black and white now," he says.

"But as people identify with these cigarettes more, you'll see an upgrading into more colored packaging, to the point where that will account for 75 percent of the business." Grant also predicts that generics will break into more than one price category.

Liggett & Myers accounts for about three quarters of generics production, with the balance supplied by Brown & Williamson.

A niche of their own

The cigarette business itself is splitting into two approaches in positioning its brands, according to Martin Orlowsky, senior vice president marketing, R.J. Reynolds. "What's new," he says, is "niche marketing," which means defining specific parts of the market, such as value-added or prestige, and then targetting that part.

"But at the same time," Orlowsky continues, "the broader-based approach will continue with brands like Winston and Salem and Camels."

The niche that was most difficult to establish in terms of logistics (with local tax and stamping laws providing a formidable roadblock) was the value-added 25's. With a change in New York State laws that became effective Aug. 5, only New Jersey, Montana and the District of Columbia remain as holdouts from 25-packs.

While R.J. Reynolds beat down the doors of legislative resistance to the 25 concept on behalf of its Century brand, all five other producers have since ridden across that threshold with entries of their own.

"There's still some degree of retailer resistance," Orlowsky acknowledges, "due to various price points. But scanning is helping here."

Brown & Williamson's entry in this category, Richland, is stressing "five free cigarettes per pack and 50 free per carton" in its advertising. Thomas E. Sandefur, Jr., president, stresses that an essential part of Richland's value-added concept is offering a "high quality tobacco."

Philip Morris is investigating the potential of the value-added 25-pack with Players Lights 25's, an extension of what was originally positioned as a prestige rather than a bargain brand. "It's going to be a contradiction to Players' established image," says Tom Keim, a spokesman for Philip Morris, "but it's still positioned to the adult. The ads will show that Players people *do* lots of things."

Get more, pay more

While smokers of Richland, Century and Players Lights 25's get five cigarettes extra for the price of a 20-pack, buyers of the convenience 25's that are coming on market pay the same price *per cigarette* for their brand whether they buy it in a 20-pack or a 25-pack.

With a year of successful marketing by Philip Morris of the 25 version of their flagship Marlboro brand having warmed up the crowd, two other tobacco companies are moving in this direction.

Lorillard is testing two varieties of Newport 25's in Pennsylvania. (In recent years Marlboro and Newport have also shared the privilege of being the only two top-10 brands to move aggressively ahead in market share.)

"Our research has shown that there is a large number of people who smoke more than 20 cigarettes a day," says Richard H. Orcutt, senior vice president sales for Lorillard. "Some of them don't want to be bothered with buying a second pack, so this is our attempt to satisfy them." (Orcutt points out that Newport's 15.4 percent rate of growth in the first half of 1985 comes on top of a 13-year record of steady growth.)

The third convenience 25 is American Tobacco's Pall Mall. Despite a slippage in share, Pall Mall maintained its position as the number eight brand in sales in 1984.

Class appeal

The only brand label that people carry around with them and display all day to others is their pack of cigarettes. So, the reasoning goes among cigarette marketers, wouldn't they rather display a label that announces them to be discerning and tasteful? Wouldn't they rather smoke a *prestige* cigarette?

Despite less than arresting track records by the last two entries in the gilt-edged smoking sweepstakes (Philip Morris's Players, as noted above, is now playing to the value-conscious; and R.J. Reynolds' Sterling is being repositioned, according to Orlowsky, "to more of a mainstream proposition"), the wrappings are being taken off of several new prestige brands.

What's new about two of these brands is that they're being tested at premium prices, which qualifies these days as a genuine innovation.

The first premium, R.J. Reynolds' Ritz, is packaged with the monogram that launched countless millions bottles of perfume and scarves: YSL. "The name Yves Saint Laurent is the hallmark of fashion," says RJR's Orlowsky. "Based on our research, we feel the name is compatible. Ritz is positioned to appeal to the fashion and style conscious smoker." Ritz is being tested at both a premium price and a parity price. "This is the first 20-pack to be marketed at a premium price," Orlowsky says.

From the Ritz, of course, it's only a short walk to St. James Court, coincidentally the name of Brown & Williamson's premium-price entry.

"We're testing St. James Court in New Orleans at a one dollar a carton premium and in Hawaii at a popular price," says B&W's Sandefur. "We're offering a unique filter in New Orleans that changes the dynamics of the smoke stream and delivers low tar and nicotine, but more taste."

Philip Morris's new pres-

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TOBACCO

What's new about two new brands is that they're being tested at premium prices, which qualifies these days as a genuine innovation.

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tige entry, Dunhill, is being tested in Atlanta and Phoenix at a standard price. This mid-range low-tar smoke is being offered both in king and 100mm. "We're manufacturing Dunhill in the U.S. under license from the Dunhill group in England," says Keim. "It's a separate product from their imported."

Figuring the tip

Not content to place all their bets on price or pack size, or on the pull of prestige, cigarette manufacturers have been busy in test markets with some other propositions as well.

Last month Philip Morris started to test Concord, which has a technologically different filter. "This is the first cigarette ever made," says Keim, "that allows a smoker to adjust the filter from rich to mild." A simple twist of the filter takes the smoke from approximately 5 mgs. ("a light, mild, ultra low tar") to approximately 15 mgs. ("a rich, flavorful, low tar"). The 20-pack, which carries a conventional price, is being tested in a regular version in Little Rock and Spokane and a menthol version in Birmingham and Fort Wayne.

The concept of an ethnic (but not too ethnic) cigarette has been tested by L&M with its Dorado and Superior brands. Dorado outperformed Superior, according to Grant, and will probably be expanded in distribution. "The cigarette was positioned to appeal to Hispanics," he says, "but realizing that they too want to be mainstream, while keeping an Anglo appeal at the same time."

The eight-cent solution

The launching pad for generics—and, by proxy, the fleet of value-added brands that followed—was the doubling of the federal excise tax to 16 cents on Jan. 1, 1983. The sunset provisions of that legislation will mean a reversion to the original eight-cent tax next month unless Congress acts. If it does not act, will cigarette vendors and smokers find happiness in the lower priced sunset?

Not likely, according to Alan Byrn, assistant to the president of The Tobacco Institute.

"In short, the whole excise tax is a muddled mess," Byrn says. "The 10 different bills that have come out of Ways and Means range in their provisions

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Where There's Smokeless, There's Fire

While cigarettes in recent years have forfeited any claim to being a growth sector, there's one segment of the tobacco industry that's actually catching fire—it's called smokeless.

Within both the chewing tobacco and snuff classifications, tonnage advanced in 1984, according to John C. Maxwell of Furman Selz Mager Dietz & Birney (New York City):

☐ Moist snuff (which outsells dry snuff almost four to one) showed a remarkable increase in tonnage of seven percent.

☐ Loose-leaf chewing tobacco (about 84 percent of total chewing tobacco tonnage, with the balance divided among plug-firm, plug-moist and twist) gained a respectable three percent.

If some supermarkets haven't felt the benefits of this boomlet, their own laxity in setting and maintaining proper ordering and stockkeeping practices may be to blame.

OOS = Out of Smokeless

"Compared to the other classes of trade we monitor," says Ron Glasscox, vice president, United States Tobacco Co. (which dominates the moist snuff category with a 89.3 percent share, according to Maxwell), "supermarkets have the highest instance of out-of-stocks, over 20 percent."

To help remedy that problem, U.S. Tobacco is currently introducing a plastic Smokeless Tobacco Center merchandising unit that fits into gondola-type shelving.

"One of the problems," Glasscox points out, "is that smokeless has been scattered all over the store. This will finally give it a home."

The size of the fixture and the number and types of smokeless products it holds will vary to reflect local consumption patterns. Besides cutting out-of-stock rates, the units will help assure product freshness, according to Glasscox. "We don't want stores to order up a big inventory," he says. "We want them to order it up weekly to keep it fresh."

Jobber satisfaction

Smokeless comes to the store shelf via one of two routes, according to E.C. Powell, vice president marketing, Conwood Corp. (the only loose leaf producer to show a gain in 1984 according to Maxwell). "In the South and Southwest," he says, "where consumption is heaviest, most supermarkets order from their own warehouses. But in the lighter areas, like the Northeast and North Central, jobbers stock the section."

"Too often," says Powell, "the store people just aren't aware of the growth in smokeless and don't get involved."

Although regional differences in consumption are still pronounced, Powell feels that, "the old geographic spikes are flattening out, partly due to migration of blue collar workers to new areas."

U.S. Tobacco actively promotes the growth of the smokeless category through a one-on-one sampling program. The company's sales representatives sample Skoal Bandits (a popular "teabag" variation of moist snuff) among cigarette smokers.

Sampling is often done among men entering or leaving the supermarket which the sales representative serves, or sometimes at nearby factories. But never, Glasscox stresses, among those under age 18.

Little dippers

The smokeless industry has recently received the type of attention and censure from public health authorities that first befell the cigarette industry two decades ago.

Provoking the increasing drumbeat of attack is the allegation that both dipping and chewing have become a habit of status among young teenaged boys, posing health risks which, some claim, range from tooth loss and gum disease to mouth cancer. (Dipping is pressing snuff between the gum and lower lip.)

In response to the charges, the Smokeless Tobacco Council has organized a public service campaign to promulgate its position advocating that a minimum purchase age of 18 should be enforced. Sixteen states now have no law on the subject, while in others the minimum age ranges from 15 (Hawaii and Maryland) to 19 (Utah).

Gail Bolph, a spokesman for the Smokeless Tobacco Council, says that posters are being provided to stores that state the law on age and advise prospective buyers: "Please do not be offended if we ask for proof of age."

In addition, a 30-second TV spot produced by the Council advocates that, "...it should be a matter of public policy that smokeless tobacco products should be sold to and used by adults only."

In response to recent attempts at the state and federal level to mandate health warnings on packages of smokeless products, Michael J. Kerrigan, president of the Council, calls the proposed labels "unnecessary and unwarranted."

Growth sector

While likely to remain a product category of low-incidence usage, smokeless has demonstrated an energetic growth pattern rare among tobacco products. How much supermarkets share in that growth will, of course, depend on their willingness to recognize and react to the special demands and opportunities of the category. For its part, the industry has shown its willingness both to provide merchandising leadership and to take the initiative in underlining the "adult" nature of its products.

BD

VITAMINS

The big news in vitamins has been anything with calcium, and the chewier the better. Current vitamin sales are a bit static, but calcium supplements pumped some life into the category.

Anything with calcium—and the chewier the better. That's the big story in vitamins at present and for the foreseeable future, according to supermarket buyers in many parts of the country.

Current vitamin sales tend to be on the static side, but the introduction of calcium compounds and vitamins with calcium supplements promise to perk things up a bit. How significantly, and for how long, is a matter of considerable debate.

Vitamin and mineral product manufacturers are extremely optimistic about the future of supermarket sales, but a lot of store buyers are not so sure. Many, including some of the biggest chains in the country, don't see much growth ahead for supermarket vitamin departments, but others are enthusiastic. Those who do see a bright future for vitamin sales attribute much of the success to consumer education and a national trend towards one-stop shopping.

Vitamin sales are generally flat or declining, according to industry analysts. Possible reasons include changes in national life-styles and a strong interest on the part of more people in nutrition and health. People are definitely interested in deriving necessary vitamins from prepared natural foods rather than from a vitamin capsule, many experts think.

No decline in children's vitamins

One market that has not suffered any decline and shows healthy signs for the future, however, is children's vitamins. Across the board, wherever they are sold, children's vitamins are doing very well, according to vitamin manufacturers.

For adults, and particularly for women, calcium is the hot item. "Vitamins are a tremendous growth area, in part because of the popularity of the calcium supplements," said Jim Mason, director of pharmacies for Consumer's Markets (Springfield, Mo.), a chain with stores in Arkansas, Kansas, Missouri and Oklahoma.

"We've always carried a tremendous amount of vitamins but we're now expanding shelf space," Mason said. "Brands, generics and house labels—there's growth in all areas."

Mason credits both manufacturer advertising and consumer education for much of the success. "Consumers are aware that a balanced diet often needs supplementing. The trend is towards multivitamins," he said, noting that some of the stress products and the single vitamins such as B, E and C, have lost some ground recently. Iron by itself, too, has lost some of its status.

With the large majority of supermarket shoppers being

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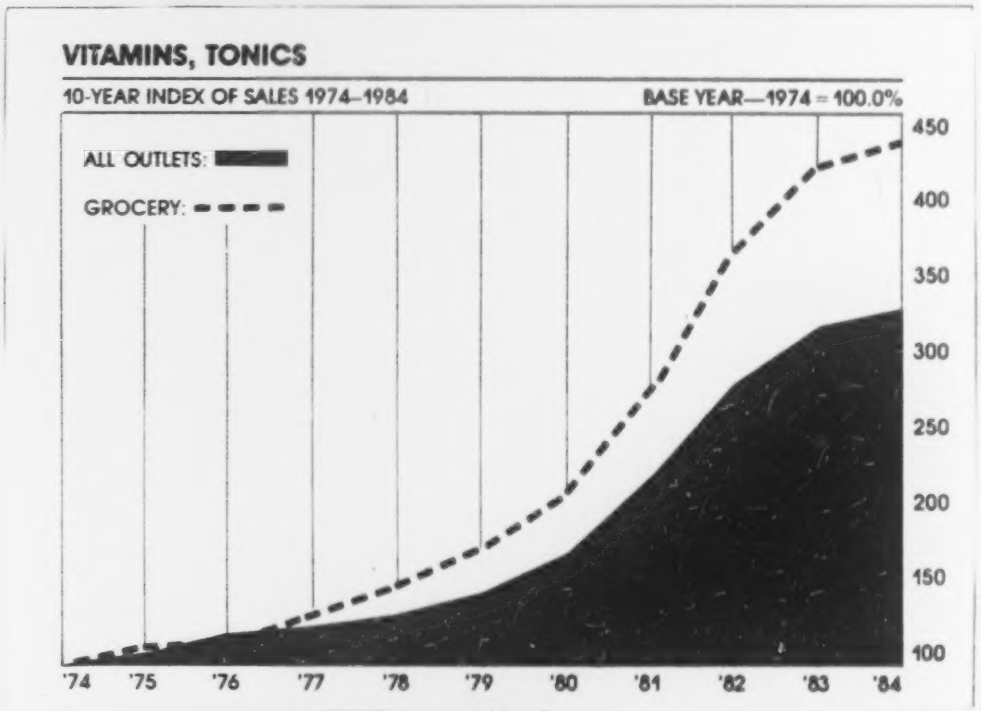

Illustration by Debbie Tilley

VITAMINS

Manufacturers are very enthusiastic about the future of vitamin sales in supermarkets.

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women, Mason is already seeing the effects of strong advertising for the calcium supplements. A number of recent studies have indicated that most women do not receive enough calcium in the daily diets. Concern over resulting osteoporosis has prompted many to seek additional sources of the mineral. It is this information that has been successfully communicated through manufacturer promotions, and accounts for much of the products' success, Mason believes.

Repeat purchases

From the supermarket point of view, the current interest in calcium supplements is a healthy one because, according to Mason, the generally recommended therapy is long-term consumption of calcium supplements, thus encouraging repeat purchases.

A number of calcium products have been recently introduced to supermarket shelves—Nion's CalciCaps, Marion Laboratories' OS-Cal, Lederle's Caltrate and Miles Laboratories' BioCal. Consumer's director of pharmacies thinks the trend will be towards chewable calcium products.

"What used to be a large, unpleasant tablet now is chewable and tastes like candy. The prices are good so you don't have to pay a premium," Mason said. He predicts that Warner's new SuppliCal will be the best seller.

Farther west there is equal enthusiasm for calcium products though perhaps not as much excitement about the overall vitamin category. "Anything that's got calcium is strong," said Paul Baiza, buyer for Furr's Inc. (Lubbock, Tex.), a chain of 100 stores in New Mexico and Texas.

While the major growth is in calcium, Baiza noted that multiples are also doing well, particularly the Theragram M and the One A Day products, that "are doing great." "We've also had good luck with the Nature Made line," he said.

Furr's has no plans for future expansion of vitamin departments, having done so six months ago to accommodate a growing number of products.

Some erosion in the category

On the East Coast, calcium is also the best mover but overall the vitamin category is stagnant, according to buyers. "Naturals have been on the scene for several years but we haven't seen the volume growth anticipated by most people. We have a strong private label but there's been some erosion in the category as a whole. There hasn't been as strong a growth this year as there has been for the last five years," said a representative from ShopRite (Elizabeth, N.J.).

A&P (Montvale, N.J.) is another major chain that keeps a close eye on vitamins but has not seen any strong growth. "We carry the national brands and an A&P label. It's a convenience item as far as we're concerned, one that does not take a lot of room. The basics seem to be it. Vitamins are not a high-volume category. There's been a slight increase in sales but low volume," said Bill Vitulli, a vice president at A&P headquarters.

A similar attitude is

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BAKED GOODS

One retailer feels that the performance of instores has been lacking more than is generally acknowledged.

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a quality product that we're pricing accordingly' are competing more with the premiums."

McGrath of Angelo's confirms that in his store, which features an upscale crusty bread operation, "Instores are taking more from the premiums than from the private labels."

At Roth IGA Foodliners (Silverton, Ore.), Darrell Rybloom, executive vice president of the 11-store operation, says that the company's instores concentrate on variety breads and limit their white bread production to a butter-crust loaf. "So with us it's the commercial variety breads that are giving up the most sales to our instores."

If the commercial baked goods section is increasingly cast as the ugly stepsister opposite instore's Cinderella, perhaps not all the blame can be placed at the oven doors of the ingenue service department.

"This is a dormant category," says Jules Rose, president of Sloan's Supermarkets (New York City), whose stores do not have instore operations. "If you took a picture of a commercial bakery section today and compared it with one of 25 years ago, you'd find the *same* layout packed out in the *same* way," he says.

"They need to do consumer research, change their displays and liven it up," he asserts. "There's nothing innovative, like a Lean Cuisine, in the baked section—just the same lines and sizes we always had."

At the same time, Rose feels the performance of instores has been more lackluster than is generally acknowledged. "Instores have not reached their potential because of the whole concept of bakery—it's looked at as something that if you eat a lot of you get fat. As long as we're in the psycho-social area of concern about health, bakery is outside the perceptions of what the consumer wants.

"But I believe there is a marketing niche that bread can have that's not being fulfilled. Something is lacking. Look at the restaurants; everybody wants their breadbasket filled twice."

Pinney of IGA asserts that the relative torpor of the commercial baked aisle may in part be a reflection of the attitude of store management. "Too often," he says, "the management doesn't have an 'ownership' feeling for this section. The manager doesn't feel it's *his* bread racks. It's Wonder's bread racks, or Colonial's. So he doesn't take a sincere interest.

"Just imagine," Pinney continues, "if a vendor came in and said 'Let me set your meat case for you.' It would be a different story."

With involvement in both the instore and commercial baked sections of IGA member stores, Pinney has a privileged perspective of their relative positioning. "There's too much of a tendency to see the two departments as competing," he feels. "It's important to aggressively promote *both* to maximize sales and profits."

More fizzle than POP

According to Jules Rose, the commercial baked aisle is the beneficiary of "very little advertising and almost no POP." He exempts S.B. Thomas from this indictment.

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CANDY

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a substantial bulk business in addition to their bagged sales."

Ray Boudreaux, a store director for Albertson's Food Centers (Sacramento, Calif.), confirms this. "Bulk candy is doing very well," he says. "We have about 16 feet of bins with 16 items stocked. The best sellers have been starlight mints and gummi bears, which are very, very big."

Gummi products apparently appeal as much to adults as to children. And when 55 percent of all candy purchases are being made by people over the age of 18, this is clearly of concern to candy suppliers and retailers.

In the chocolate category, the candy industry's largest and most competitive segment, manufacturers are pitching their products as an *adult* snack food, hoping to broaden the appeal of chocolate and carve off a bigger slice from the estimated $25 billion snack food industry.

The strategy must be working. As far as Jules Rose, chairman and ceo for Sloan's Supermarkets (New York), can see, "Adults are definitely munching more. That's the big story in the candy department." And sales at Sloan's reflect this. "We've increased our shelf space by at least 32 running feet," he says.

Chocolate bar sales grew by 10 percent overall in 1984, with supermarkets experiencing nearly a nine percent growth in sales. Boudreaux at Albertson's confirms that "the whole category has increased. With the economy doing better, people are more willing to spend their money on these items."

The gummi bears category is without a doubt the biggest thing happening in non-chocolate candies today, says one retailer.

Old favorites and new intros

Growth in the category has been achieved through a combination of aggressive advertising of old favorites, and abundant new product introductions. According to Ronald B. Morrow, vice president of research at the Manhattan brokerage firm, Smith Barney Inc., in the past year significantly more new items were introduced than in previous years, most notably Skor and Take Five from Hershey Foods Corp. (Hershey, Pa.), and Alpine White by Nestle Foods Corp. (White Plains, N.Y.).

Skor, a chocolate-covered butter toffee bar, and Take Five, a chocolate-covered wafer and peanut cream bar, both gear their advertising to the adult market. Skor has been beating out the previous toffee bar favorite, the Heath Toffee Bar, from L.S. Heath & Sons (Robinson, Ill.).

Take Five, not yet in national distribution, is projecting an image of being the perfect choice for a light, snack-break. And Alpine White, a white chocolate bar, also is designed to please the adult palate. According to one industry analyst, the bar has become Nestle's second best-seller, after the Nestle Crunch Bar.

Air-blown bar

Hollywood Brands, Inc. (Clayton, Mo.) finished its national rollout of a chocolate version of the Pay Day chewy, nutty bar this year. The original is one of the leading non-chocolate bars. Peter Paul Cadbury

Continued on page 214

Bu [illegible] uality Bags Pr [illegible]

Retailers across America have been scooping the old candy shop quality, variety and taste of CAMEO CANDIES since 1906. Only the finest fruits, nuttiest nut meats, milkiest milk chocolate, and the best ingredients available from around the world go into CAMEO CANDIES. They still do.

Now, with the same pride and care, CAMEO is bagging over 40 tempting varieties. It all adds up to the highest bulk quality with big bag profits. For you.

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California Peanut Company
A division of The Los Angeles Nut House
500 W. Ohio Ave., Richmond, CA 94804

CEREAL

Continued from page 135

the cereal category is growing, industry sources say. The hot cereal segment, while it gets far less publicity than its cold sibling, remains one in which there is decent growth— if the weather stays bad. "I'm the only one around here who smiles when it is snowing out," said Nabisco's McKnight.

Nabisco and Ralston-Purina are, respectively, a distant second and third in the hot cereal business, according to estimates. Quaker Oats dominates hot cereals; the company says it had a 15 percent increase in hot cereal sales last year and expects to do roughly the same this year. Almost half of Quaker Oats' cereal sales are in the hot cereal category; during the 1984 fiscal year, hot cereal accounted for $220 million in sales for Quaker Oats, while cold cereal brought in about $280 million in sales.

Ronald G. Bottrell, a spokesman for Quaker Oats, said that many fully expect instant hot cereals increasingly to dominate this part of the market. "Based on our product introductions in the instant oatmeal category," he said, "I really believe that hot cereal can become an alternative to cold cereals because of the ease with which it can be made." With the introduction of two new flavors last year— Strawberries and Cream, and Raisins, Dates and Walnuts—Quaker Oats has brought its total line of instant oatmeal to 10 flavors.

The battle for supremacy goes on. Ralston-Purina's new Sun Maid Hot Cereal, which was termed "a disaster" by one source, will be reformulated this year. Pet Inc. will spend $8 million this fall to introduce and market DairyCrisp, a new high calcium cereal designed to appeal to women over 30, and with a cereal box cover photographed by fashion photographer Richard Avedon.

No matter if the weather is warm or cold, these manufacturers—and all of their competitors—will be praying that their products are hot. ■

—KEVIN COUPE

The hot cereals segment of the category is growing. Many manufacturers fully expect instant hot cereals to dominate this group of products.

BAKED GOODS

Continued from page 198

"I believe what makes us different from most of the other people in the commercial section," says Nina Henderson, vice president marketing, S.B. Thomas (Totowa, N.J.), "is that we take a classic packaged goods approach. First we concentrate on consumers, and find out what they're looking for, using market research. Then we create consumer demand through advertising and promotion in concert with the retailer.

"We spend a tremendous amount of time merchandising through retail channels. That means good POP programs and incorporating retailer ad support as a key element."

An example of the thoroughness of the S.B. Thomas approach is last month's Thomasburger promotion, which offered a refund of up to $1.50 on a pound of ground beef. As early as June, retailers were involved in the program, which included POP posters in stores and freestanding inserts in Sunday newspapers on Aug. 11, along with radio support.

Henderson gives much of the credit for the success of such programs to what she calls "our merchandising sales force. They don't just deliver; their point of view is that they're *selling* to the retailer. And that gives us an edge." (Thomas's well-coordinated delivery and reporting system, abetted by the use of Norand hand-held computers on every truck, provides a further edge.)

To date, the marketing-oriented Thomas approach has inspired few imitators. "I call the commercial baked goods section the Alaska of the supermarket," says Henderson. "It's a frontier that offers the chance for pioneering new approaches. That it's undermarketed is a historical fact. For proof, just contrast it with any other aisle of the supermarket."

The seven-day switch

If commercial bakers are increasingly reduced to taking the crumbs left them by instores, perhaps it's not just *how* they support their products with promotion (not much), but *what* they offer for sale.

DCA (Jessup, Md.) supplies baking mixes to both instores and wholesale bakers. Len Fisher, president of DCA, observes that his wholesale baker customers are split into two camps, one of whom he gives much better odds for survival against instores.

"I see a lot of regional bakers that are targeting to quality and saying 'We're doing something good.' So they push us to give them something better—not cheaper. They want a better quality doughnut, a better flavor doughnut. That means a product on a shorter life cycle. They're looking for a wider variety, too.

"But at the same time, unfortunately, there are those who are trying to go cheap, who are looking for the lowest distribution costs, which means leaving the product on the shelf longer, often for seven days. They're willing to keep the same bloody line and to tell the supermarkets, 'This is what we have. Take it.' They're the ones who are being nibbled away at."

Cachet in the rye

Pepperidge Farms (Norwalk, Conn.) has been successful in stirring up consumer interest in baked goods by introducing new products. A recent success, according to John Tierney, vice president corporate relations, is Very Thin Dijon Rye. "It has a different taste that people like and it's proving to be very successful."

Pepperidge is testing a Petite Croissant line in New England in response to consumers who said they liked the flavor of the standard size but would prefer that they were made smaller, Tierney says.

S.B. Thomas, which almost singlehandedly built the English muffin category (census figures show a growth of 21 percent between 1977 and 1982 compared to 2.7 percent for all baked goods), now appears to be pulling off a similar marketing coup for pita bread with its Sahara line.

How big a bite?

The future of the commercial baked goods section appears in need of an extra scoop of yeast. Beset by competition from instores that have usurped both space and customers, allowed to languish as a merchandising backwater, and rent by internecine struggles (variety bread versus white bread; private label versus premium; and bread versus sweet goods), the baked goods aisle is sorely in need of some creative new recipes to restore its vitality and its identity. ■

—BOB DIETRICH

One store has an embargo against sweet goods that compete directly with instore. "Why sell a dozen of their doughnuts at 15 percent markup, if it drastically hurts the sale of our instore items with 50 percent markup?" the retailer notes.

Continued from page 139

makes a premium ice cream, however, saying that it is up to manufacturers to identify their own role in the marketplace.)

Premiums and super premiums, she said, make up only 10 percent of the ice cream market at present, yet seem to be providing most of the growth. Furthermore, she said, imitation dairy products made from such ingredients as soybeans are not proving to have a negative impact on the overall category, but are adding sales as well.

At The Haagen-Dazs Shoppe Company, Inc. (Englewood Cliffs, N.J.), the subsidiary of the Pillsbury Company that manufactures and distributes Haagen-Dazs nationwide, there has been concern that the company viewed by many as the pioneer in the premium ice cream category must stay ahead of the competition.

"We are not going to rest on our laurels, but we are going to move very carefully," said Beth Bronner, director of marketing for Haagen Dazs. In the past year, Bronner said, Haagen-Dazs moved to create an entirely new segment with the introduction of Orange-Vanilla Sorbet & Cream, a mixture of ice cream and sorbet. Such introductions are likely to continue, she said. "Because of the nature of who and what we are, we have a proprietary interest in making the category grow."

According to IAICM's Brydon, also significant in the eyes of ice cream manufacturers is the startling rise in sales of ice cream novelties, most of which formerly were consumed by children. "We didn't even track novelties five years ago, but it was likely that less than 15 percent of them were consumed by adults. Today, 49 percent of them are consumed by adults." It is a development, Brydon said, that manufacturers find encouraging, though it is expected, on the basis of 1985's still-incomplete figures, that there may well be a slowdown in sales during the current year.

Carnation's Finley said that his company, manufacturer of such adult oriented ice cream novelties as Bon-Bons (which used to be found in movie theater concession counters but have become increasingly popular in the nation's supermarkets during the past few years), remains convinced that ice cream "is where there is room to play. Day in and day out, that's where the glamour is. You get to concoct a new flavor, or think up new names for flavors." And, Finley said, "If you are going to be in the ice cream line, you have to be in the ice cream novelty business."

If ice cream and yogurt are hot items in the nation's grocery stores, the foundation for their very existence, milk, is at best lukewarm. Fresh milk was a $16.8 billion business in 1984, with roughly a third of that—$5.96 billion—done in grocery stores around the country. Grocery stores saw only a 1.2 percent increase in milk sales during the year, which fits in with USDA's consumption figures for the same period.

Cliff Carman, a dairy economist with USDA's Economic Research Service, said that the average American consumed 27.3 gallons of whole milk during 1984, as compared with 27.3 gallons in 1983 and 26.8 gallons in 1982. In low fat varieties (both one percent and two percent milkfat), the average person in the United States drank 9.39 gallons in 1984, up from an even nine gallons in 1983 and 8.8 gallons in 1982.

"Five years ago, in the milk

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DRIED FRUIT

Industry sources say that dried fruit, like fresh produce, is difficult to evaluate as a category, because of the vagaries of weather conditions.

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are paying any attention, 10 cents more for a box isn't going to make any difference to them," he said. "Of course, it all depends on what they use them for and what they are going to replace them with. I still don't think they are going to use less because the price is going up, because it is still going to be way below what it has been in past years."

Soetaert said that in anticipation of increased field prices, Sun Diamond already has instituted a price hike of about seven percent for its raisin products.

Beyond raisins

But limiting production and raising prices are just two responses to the economic difficulties of the raisin business.

Beyond those, and indeed beyond the raisin industry, and reflected in the dried fruit category as a whole, is a change in the notion of what dried fruit really is, and to whom its marketing pitches should be addressed.

At the retail level, dried fruits seem to be considered as poor stepchildren, although there is evidence that some evolution from that position is taking place. Retailers, while seemingly appreciative of the business that dried fruits were generating, seemed less than enthralled with the category.

"It seems to me that raisins are kind of a set item, and that people who buy them will buy them at any price," said Tim Franklin, assistant manager with Gregerson's Warehouse Groceries (Gadsden, Ala.). "I don't think it all makes that much difference. There might be a difference if there were dollars for display allowances, but there is no promotion money. We wait for the salesman to come along with a good deal. But nobody comes."

Franklin said that his relative complacency towards raisins extends to other dried fruits as well. He described prunes as "appealing pretty well to a set number of older people who use them as a laxative," figs and apricots as "very slow," and dates as items that "sell only around Christmas and Thanksgiving, when people use them in fruitcakes."

And yet, Franklin was simply brimming with ideas about how to sell dried fruit, both as ingredients and as snacks. He suggested that the manufacturers begin stressing snack-pack sizes in an effort to get their products into the lunch boxes of school children, thus creating a habit that might persevere through their lives.

And, he recalled a time when he was growing up, when after a hard day working in the cotton fields, his mother would make him a "fried pie," made of dough, powdered sugar and—you guessed it—dried fruit, deep fried to crispy perfection. "It was a big item here in the South, and it used to be a great thing to eat on a break from chopping cotton," he said.

Producing sales

Both Franklin and Joseph V. Scotto, vice president for produce operations with Victory Markets, Inc. (Norwich, N.Y.), said that they were moving on their own to increase dried fruit sales by keeping the category in the produce departments of their stores.

"We like to keep it all in one section, grouped together in the produce department," Scotto said. "Just for dried fruit, we like to have a good four-to-eight feet, but the size varies with the size of the store. We fit in whatever we can; if we have an eight-to-12 foot length, then we have more facings."

Scotto agreed with Franklin's assertion that raisins and apricots had enjoyed a good year, while dates and figs were hardly a factor in store sales. Prunes, he said, remained fairly steady, appealing just to regular buyers rather than expanding in terms of market appeal.

Not everyone can give his dried fruit the increased attention afforded by Gregerson's and Victory. Take Warehouse Foods, Inc. in Jonesboro, Ark., for example. Bill Dunnam, an assistant buyer there, said that in his stores, "it's not with the produce. We have it with things like the peanut butter. We don't have room to put it with the produce. As far as dried fruit is concerned, we don't mess with it much. We just put it on the shelf."

And so, dried fruit manufacturers are faced with a problem. Their products are not viewed as terribly important to the supermarket mix, and the danger is that they could be completely forgotten, that retailers and consumers alike will not "mess with it much." And the solution, it appears, may not be so much the kinds of products as the way in which they are positioned.

At Del Monte Corp., known as the largest purveyor of dried fruit in the U.S., the move is on to drastically expand its dried fruit offerings, which have traditionally included apples, apricots, currants, peaches, prunes and raisins in a variety of forms and packages.

While it has not discontinued its traditional lines, Del Monte, according to spokesman Bachmann, has established something that is viewed as "a whole new line, not just a line extension"—Fruit Snacks, a line of three different products designed to capture the healthful snack category.

Fruit mix, yogurt-covered raisins and pitted prunes have been packaged and positioned in such a way that they have easy-access appeal to people on the go, people who are looking for a good-tasting snack that is not a candy bar. Unlike some other offerings in this category, these are not geared to children, but rather to adults; the snacking aspect of it is emphasized through single-serve pouches available for sale.

National roll-out on this new line (which includes a new packaging for plain raisins) began in July 1985, and while it is too early to tell what consumers' reactions will be, Bachmann said that initial interest from consumer press food editors has been encouraging.

Sun-Diamond has approached this market with the development of similar products, such as yogurt-covered raisins, prune bits, carob coated raisins, chocolate chip raisin crunch, and raisin crunch—all of which utilize dried fruits in a variety of different ways. And, Soetaert says, new products are in the pipeline that will present pitted prunes and figs to the public in new plastic pouches that will appeal to the convenience factor.

Packaging, according to Soetaert, is a tremendous factor in dried fruit sales. "It's why we have been changing our packaging immensely," he said. "We put fresh fruit on the package...and we connect the fresh fruit to the dried fruit." No longer will dried fruit be displayed in see-through packages, he said. "It's ugly."

In addition to Sunkist Growers' efforts, moves in the children's dried fruit segment are being made by General Mills (Minneapolis, Minn.) through its Fruit Roll-Ups offerings. Begun in January 1983 in four

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DAIRY

Consumption of yogurt in this country is definitely on the rise. It has become an increasingly competitive part of the market.

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market, regular homogenized milk was 70 percent of the business, and (low fat) was maybe 30 percent," said David Trottier, president of Smitty's Supermarkets (Springfield, Mo.). "Today, that trend is reversing. (Low fat) is actually outselling regular homogenized by about a 55-to-45 ratio. You could never have proven it to me, but they've really come up in sales. Of course, sales overall are just kind of holding. They really have been flat for the past few years."

Juanita Hall, the frozen, dairy and deli buyer with Nob Hill General Stores (Gilroy, Calif.), offered another look at the dairy buying patterns that affect her chain. "We're spread out over 60 miles, with both Silicon Valley and farm areas within our radius," she said. "As far as milk goes, for example, in Silicon Valley we sell a lot more of the low fat milk, while in the farming regions we sell more of the homogenized."

Ice cream products fall into similar patterns, she said, with expensive premium products—Nob Hill General Stores carries almost a dozen brands in a 60-foot-long cooler in some of its newer stores— selling extremely well in sophisticated markets, while on the farms, "where they don't have huge freezers and they do have lots of children, they tend to eat more of the ice cream novelties."

The 1985 Consumer Expenditures Study reveals that cheese sales at grocery stores experienced a 2.5 percent increase during 1984, making up 72 percent, or $4.1 billion, of the nation's overall $5.6 billion cheese market. But the statistics do not deal with one significant retailer concern—that the growing popularity of service deli departments in supermarkets and the sale therein of sliced-to order cheeses will have a negative impact on prepackaged cheese sales.

Cheese it

Salvatore Mazzella, purchasing manager with Hotel Bar Foods, a division of Beatrice that provides prepackaged dairy products on the East Coast, agreed with this concern. "People are into fresh products and they like to see things sliced in front of them," he said. "Consumers are always looking for new ideas," Mazzella said, suggesting that for the moment, at least, packaged cheese may be an old idea.

Not to worry, responded R.F. Anderson, executive director of the National Cheese Institute (as well as of the American Butter Institute). "The two departments (deli and dairy) are really synergistic," he said. "While in a deli you are able to get different sized portions of a lot of different cheeses, it also can happen that someone will see a long line at a service deli and decide to get something from the dairy case."

Anderson suggested that the best retailer reaction to the success of the deli department is to stock more and different cheese in the dairy case.

"I really think we're picking up new sales," Anderson said. "I saw a study that said that 98 percent of the people in this country eat cheese. Maybe there is a shift going on, but I don't know from where."

And if 98 percent of the nation's consumers are eating cheese, the National Cheese Institute is going to do its level best to make sure they eat it more often. The sales pitch? Osteoporosis, of course, and how the natural calcium found in cheese can help battle that disease.

"I believe that is something we should stress more in the coming year," he said. "Maybe it sounds like preaching to the saved, but cheese can offer calcium in its most concentrated form, and may be a little more acceptable to the older generation than milk." ■

—KEVIN COUPE

DIRECTOR OF GROCERY OPERATIONS

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VITAMINS

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expressed by Tim Honeycutt, a buyer for Food Lion (Salisbury, N.C.), a chain of 300 stores. "Our past experience has been that the volume is not there. But, due to customer demand, we've had to put vitamins back in the stores," he said.

Promotional support is strong

One subject buyers do generally agree on is that promotional support from vitamin manufacturers is strong. "There's always a deal kicking around in vitamins," said A&P's Vitulli. "The manufacturers work with and give us good support," Consumer's Mason agreed.

Manufacturers are very enthusiastic about the future of vitamin sales in supermarkets. Citing the trend towards one-stop shopping brought about by the increasing numbers of two-worker households, they are eager to make further inroads in the supermarkets.

"We see them as a growth opportunity. We're not in there as much as we'd like to be, but we're in the process of developing plans to strengthen our supermarket sales," said a representative from The Upjohn Company. Upjohn is looking for opportunities to pick up new food chains for its Unicap products that are now sold in supermarkets. Unicap M, Unicap T, Unicap capsules and Unicap Plus Iron are the products the company distributes through the food industry.

Miles Laboratories, makers of BioCal, has recently introduced Within, a compound that provides women with additional iron and calcium. Accompanied by a major advertising campaign, the company expects it to boost sales.

BioCal, which comes in two sizes and either tablet or chewable, has, for the most part, been marketed to the medical profession, according to Dolores Cogan, director of public relations at Miles, but it is also sold through supermarkets.

Mead Johnson is one of the companies that have enjoyed the growth in sales of children's vitamins and looks at the supermarket industry as a major growth market. "We shifted channels of distribution in 1983 from drugstores only to a mix, and we've been very pleased. 15 percent of incremental sales growth can be attributed directly to supermarkets," said Ken Cable, vice president of sales.

Mead produces only pediatric vitamins for supermarket sales. Its 1984 line of Smurf vitamins has not been as successful as the company would like, according to Cable, primarily due to relatively little television and print advertising, but the overall business looks good. "Business is healthy. There's a real shift in buying patterns to food and mass merchandisers, away from drug stores," Cable said. ■

—BOB MILLER

PERIODICALS

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expansion of the program.

Brown adds he has seen an increase in space given to paperbacks in supermarkets because wholesalers have convinced retailers that the arrangement can be mutually beneficial.

Proof that supermarkets have stepped up their involvement with books can be seen in the growth of Barnes & Noble Book Store sections. The program was begun in 1982, and there are now 125 in Stop & Shop, Pathmark and Heartland stores, according to Peter Slater, president of Supermart Book Distributors, Inc., a division of Barnes & Noble Book Stores, Inc.

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Conde Nast's 10 titles have grown 70 percent in dollar sales and 30 percent in unit sales over the past five years. One reason, says an analyst, is a successful cross-merchandising program.

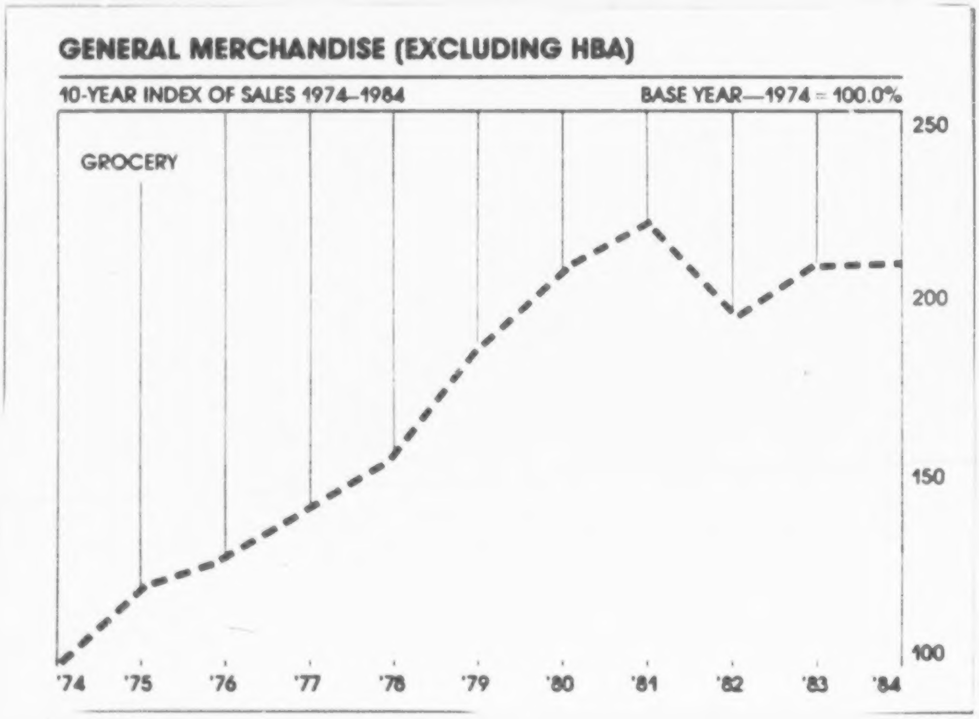

PHOTO SUPPLIES

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Nash-Finch, which has stores in 14 states, has been expanding its photo departments and, in Ramsbacher's words, "is taking a hard look at film processing." "We'd also like to see more cooperative advertising directed through us to the consumer instead of directly to the consumer," he added.

Brookshire Bros., Inc. (Lufkin, Tex.), with 47 stores in Louisiana and Texas, is another chain that has experienced good film sales and little manufacture promotion support. "35mm is most of the business, but we don't use advertising support on film," said Buddy Colmer, a buyer for the company. He also noted that Polaroid film sales have suffered at the hands of the now more popular 35mm print film.

Polaroid is not a major category for A&P (Montvale, N.J.) either. "35mm print film is tops by far," said Bill Vitulli, a vice president at the company's headquarters. Aiming for the shopper for whom time is of the essence, A&P is incorporating new display methods such as four-sided rotation racks in photo departments at its larger stores.

A&P does offer film processing in many of its more than 1,000 stores but has not gone to one-hour service due to a number of internal factors. "We're evaluating it at the moment," Vitulli said.

ShopRite (Elizabeth, N.J.), which has more than 190 stores, is an example of a supermarket that sells cameras as well as film. All of the less expensive, automated models do very well, according to a spokesman for the company. Those include the 110 size instant cameras, Polaroid models and disc cameras.

35mm coming on strong

Film sales at ShopRite indicate that 35mm is coming on strong but that disc film is doing very well also. The older 110 instamatic film has suffered and the even older 126 is virtually non-existent on the sales charts.

ShopRite also offers film processing and, while the one-hour service is being tested in a few stores, the company has all but decided to continue using independent laboratories to offer regular service.

Film from three major manufacturers is sold in supermarkets, and all are enthusiastic about the future. While Kodak maintains the lion's share of sales, Fuji, a Japanese company, and Polaroid also have products on display in food stores. In the opinion of many industry analysts, supermarkets represent the photo industry's fastest growing outlet for sales of photo merchandise.

Film and camera manufacturers cite a number of factors contributing to the success of supermarket sales, notably the food industry's attention to nonfood merchandise.

"Supermarkets are a major category of distribution now," said Allan Karcher, director of trade relations in Kodak's consumer products division. "Supermarkets are giving nonfood products far more attention because of the trend towards one-stop shopping," he said.

Karcher pointed out that

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Manufacturers are eagerly applauding the food industry's interest in stocking photo supplies; retailers would like a little more money for cooperative promotions.

PHOTO SUPPLIES

Supermarket film sales are quite a bit higher than other outlets, since customers are in a food store more often than in other kinds of stores.

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drugstore sales of film have not suffered but that the photo industry is particularly interested in supermarket sales because of the higher frequency of shopper visits. "Customers are in a food store on the average of two-and-a-half times a week, while they probably only visit a drugstore once a week," he said. The result is that supermarket film sales are "quite a bit higher than other outlets."

Big sales for "snapshot" film

According to Karcher, amateur-type films are still the best sellers because the bulk of supermarket shoppers are "snapshot camera users." But, as many supermarket buyers are finding out, the evolution of the inexpensive automated 35mm camera has changed sales patterns at the company. "The trend is definitely towards 35 millimeter. They've taken off in the last five years," he said.

Kodak has not given up on the disc camera, which continues to enjoy healthy sales figures. The company will introduce a new model, a disc camera with a built-in telephoto lens, in the near future, which should also affect film sales if it proves to be popular. Kodak is also looking at the development of supermarket film processing services, not because the company is eager to do the processing but because Kodak materials and processing products should stand to profit.

According to Kodak officials, the company is also eager to work with supermarket companies to develop better ways to market film products. "We have local representatives who call on supermarket chains to advise them as to how best to market our products, and we work through a network of food brokers to help develop supermarket displays," said Karcher.

Polaroid Company has been pleased with its performance in supermarkets and looks forward to even better years ahead. "Both the amount of sales and the proportion of supermarket sales to our total have increased. It's one of the areas we've done well in and we're looking to expand in 1986," said Brian O'Connor, national sales manager.

Healthy profit potential

O'Connor cites two facts that have led the company to believe that supermarket chains should be excited about selling photo supplies: almost half of all film is bought by women (although it's men who buy the cameras), and the vast majority of supermarket shoppers are women. Also, the comparatively high dollar items that film and photo supplies represent mean healthy profit potential.

Polaroid is definitely looking to the future in its emphasis on videotape sales and new products that can be sold in supermarkets. "We are one of the dominant companies for supermarket videotape sales, and as we develop new products and ideas we'll be going after the supermarket business," O'Connor said. ■

—BOB MILLER

GROCERY STORE CONTRIBUTION TO VARIOUS GM* INCREASES 1984–1983

	1984 SALES (000)	1983 SALES (000)	1984–1983 SALES INCREASE (000)	GROCERY STORE SHARE OF INCREASE
Flashlights & Batteries				
Grocery Stores	$ 465,738	$ 422,280	$ 43,458	17.4%
All Outlets	$3,043,732	$2,794,210	$249,522	
Greeting Cards				
Grocery Stores	$ 363,933	$ 309,730	$ 54,203	31.9%
All Outlets	$3,321,091	$3,150,940	$170,151	
Housewares				
Grocery Stores	$ 318,400	$ 308,770	$ 9,630	8.6%
All Outlets	$3,632,883	$3,521,170	$111,713	
Magazines, Newspapers				
Grocery Stores	$1,319,320	$1,248,800	$ 70,520	15.9%
All Outlets	$8,971,680	$8,529,030	$442,650	
Pet Accessories				
Grocery Stores	$ 405,002	$ 400,910	$ 4,092	28.0%
All Outlets	$1,518,152	$1,503,530	$ 14,622	
Photo Supplies & Processing				
Grocery Stores	$ 819,983	$ 763,640	$ 56,343	13.8%
All Outlets	$5,548,881	$5,140,601	$408,280	
Toys				
Grocery Stores	$ 211,974	$ 198,850	$ 13,124	1.7%
All Outlets	$9,601,862	$8,833,360	$768,502	
Stationery				
Grocery Stores	$ 124,547	$ 118,590	$ 5,957	43.4%
All Outlets	$ 591,990	$ 578,270	$ 13,720	
Sunglasses				
Grocery Stores	$ 68,400	$ 65,580	$ 2,820	14.7%
All Outlets	$ 929,590	$ 910,470	$ 19,120	
Women's Hosiery				
Grocery Stores	$ 726,829	$ 663,750	$ 63,079	14.3%
All Outlets	$3,942,600	$3,502,870	$439,730	
Writing Implements				
Grocery Stores	$ 94,854	$ 90,830	$ 4,024	11.7%
All Outlets	$ 831,140	$ 796,720	$ 34,420	

*Excludes HBA & Rx

PERIODICALS

Continued from page 208

The units are not franchised; rather, Supermart acts as a conventional wholesaler, stocking the department, controlling the mix of products, handling merchandising, presentation and promotion. The sections range in size from Stop & Shop's 1,000-square-foot displays to Pathmark 56-linear-foot in-line display.

Regular promotions

Supermart runs promotions on a regular basis, ranging from endcaps of Stephen King hardcovers to displays of Barnes & Noble exclusives such as Webster's Unabridged Dictionary at $50 off the cover price, and "Sports Of The Times" and "Page One," annual collections drawn from New York Times articles. The books are broken down as follows: 10 percent hardcover (mainly bestsellers); 25 percent children's books; 15 percent remainder and discounted books; and 50 percent mass market paperbacks.

"Hardcovers are not a large portion of the sections' business, but they're highly visible and it does a lot to promote the image of the stores, and lends a degree of completeness," Slater says. "It makes the customer

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PERIODICALS

When warehouse and super warehouse stores replace conventional supermarkets, sales decline.

Continued from page 210

believe they have a full-line bookstore, which is an illusion. But it gives them a breadth of product that gives that image."

Finally, a company known for its tabloids is branching out into publishing books. Sort of. Globe Communications Corp., publishers of bestsellers *Globe*, *National Examiner* and *Sun*, all weeklies, began a new merchandising/publishing venture this month.

Globe publishes booklets tied to specific merchandise such as salad dressing, or diet recipes, which are subsidized by major marketers, who have the option of printing their company name on the cover. The booklets are available free of charge to firms that advertise heavily in Globe tabloids, or for a fee.

Globe ad director, Jack Linder, promises display at over half a million pockets, both at checkouts and shelf extenders.

"There are very few national companies for merchandising and promotion. Since we already have a sales force in play our cost is far more economical, and we're already established," Linder explains. He adds that sponsors of the booklets can choose whether the booklets are to be sold or included in special promotions.

"There are all different kinds of options. The program can be customized to a particular chain, on a regional or national basis, or on an ADI basis," he concludes. ■

—PETER LEVITEN

BEER

Low-alcohol beers are given low marks by manufacturers, who admit they have not performed up to expectations. No-alcohol beers, on the other hand, seem to have some appeal for brewers.

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are a higher ticket item, so if a chain is getting 25 percent, they are getting more profit from the imports."

But, the brewer added, it is important to recognize that the core of the beer business remains the domestic brands, which account for 96 percent of beer sales in the U.S., and that imports, with the remaining four percent of the business, are about equal to malt liquors in terms of relative contribution to the marketplace.

Malt liquor

The malt liquor segment is targeted primarily at black communities in the nation's metropolitan areas, according to manufacturers, and accounts for about four percent of the beer market. It is by no means a dormant segment: in the spring of 1984, Anheuser-Busch expanded to 20 states the distribution of its King Cobra malt liquor. While this might appear to be at odds with the national trend toward lighter products, a company spokesman said it is "not incompatible." The spokesman said, "We develop a variety of products for a variety of different taste segments." He said, "It is consistent." Other malt liquors include Miller's Magnum, Pabst's Olde English 800, Molson's Brador and the best-seller, Schlitz Malt Liquor.

According to published reports, one brand—Heineken—accounts for about a third of the imported beer sold in the U.S. Molson, in second place, sells about half the beer that Heineken does, which provides some perspective on the amount of business being done by lesser competitors.

In order of ranking, from third to tenth, are Beck's, Moosehead, Labatts, St. Pauli Girl, Dos Equis, Corona, Guinness Stout and Tecate. (Of course, depending on who is doing the figuring, these rankings can change; often random distribution patterns across the U.S. can make strict rankings difficult.)

Top of the heap

At home, meanwhile, the undisputed champion of domestic brewers is Anheuser-Busch, Inc. (St. Louis, Mo.), which last year was the only U.S. beer company to achieve a significant increase in domestic market share, from 33.7 percent in 1983 to an even 36 percent in 1984, increasing its barrel sales by almost six percent.

According to a recent report in *The New York Times*, Anheuser-Busch executives no longer are willing to settle for their oft-stated goal of 40 percent of the domestic beer market; these days they express their confidence that they can reach a 50 percent market share, or more.

Market shares for the other major domestic brewers were on the decline. Miller Brewing Co. (Milwaukee, Wis.) was the sole company besides Anheuser-Busch to report any kind of increase, and that was minuscule—from a 20.9 percent market share in 1983 to 21.1 percent in 1984. Stroh Brewery Co. (Detroit, Mich.) lost market share, moving from 13.5 percent in 1983 to 13.4 percent in 1984, as did Heileman (9.8 percent to 9.4 percent), Coors (7.6 percent to 7.4 percent) and Pabst (7.1 percent to 6.5 percent).

Despite their declining market shares, competitors tend to view Anheuser-Busch's optimism about a 50 percent market share as a kind of posturing. Stroh's director of national retail sales, William J. Hayes, said, "At one point, the folks in Germany thought that the entire world would be driving Volkswagens, and General Motors thought everyone would be driving Chevrolets. Well, in the beer business, people are doing the same thing.

"But I think you reach a saturation point with certain products, a time when people think that it is time for a change. Of course, sometimes you have the Peter Pan syndrome—you think that if you clap your hands enough, something will happen." Anheuser-Busch's audacity has to be admired, though, Hayes said, because one can achieve greater heights when one sets greater goals. "But the one thing about this business is that it changes so fast."

Back at the front

Of course, what really matters is what is selling in the nation's beer cases. From the retailer perspective, two radically different experiences with domestic and imported beers—and with the burgeoning temperance movement—can be observed.

Daniel O'Malia, executive vice president of O'Malia's Food Markets (Indianapolis, Ind.), said that his chain's sales of export beer are approaching 10 percent of its total beer sales, but expressed little surprise. "It is always going to be higher than (four percent) in higher end stores," he said.

O'Malia said he was satisfied with his beer department's performance over the past year, noting that he has to contend with several handicaps under Indiana law—prohibition of sale of cold beer, no beer sales on Sunday and the banning of

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CANDY

Chocolate bar sales grew by 10 percent in 1984, with supermarkets seeing a substantial portion of that.

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Inc. (Naugatuck, Conn.) also has a new chocolate bar. Wispa, a textured, air-blown bar, has been aggressively promoted, even though it currently has distribution in less than half the country.

According to one retailer, "It's too early to tell whether all of the new bars will make it. It requires at least six to eight months for a new item to cut into the market. By October or November we'll see the shakeout."

The dominance of a longtime giant

While these and other new products have helped to sweeten sales totals, their attempts to shake up the candy sales hierarchy are not so successful. The confectionary top 10 sellers list continues to be dominated by longtime giant, Mars Inc. (McLean, Va.), with a strong fight from Hershey. Snickers by Mars is still America's favorite chocolate bar, and the company aggressively backs its product to see it remains that way.

Mars has been at the forefront of a campaign to change consumer attitudes toward candy. "Mars is responding to demographic changes in the country," says analyst Morrow.

Confectioners are not about to stand idly by, in an older, more health-conscious society, and have their products dismissed as "empty calories" and a dieter's nemesis. Mars has decided to take the offensive and, as part of its campaign to woo the adult snacker, is touting chocolate as a nutritious, between meals pick-me-up.

The company spent $5 million to have Snickers and M&M Chocolate Candies labelled as the "official snack foods of the 1984 Olympic Games." M&M Peanut and Plain Chocolate Candies are the second and fourth bestselling confectionary items in the country, behind Snickers and Hershey's Reese's Peanut Butter Cups. According to an industry analyst, the campaign has kept Snickers, and M&Ms, sales healthy, but it has helped Hershey too.

Although Mars has always been an aggressive advertiser, it has not been known for its product innovations. Twix Peanut Butter Cookie Bars, the company's only new bar in 1984, is a variation on the original Twix Caramel Cookie Bar introduced in 1977. The newest thing about Twix Caramel is its wrapper, which now boasts "Biggest Ever."

New looks for old favorites

As a matter of fact, repackaging has given a new face to a lot of old favorites this year. Nestle revamped much of its old line, starting with a new name for its $100,000 Bar. The 100 Grand Bar is basically the same bar, with a "richer," creamier caramel filling. The "New" Oh Henry!, Raisinets and Goobers, from Nestle, mainly have new wrappers that boast "Now With Nestle Milk Chocolate." The company also brought back the square-shaped Chunky in Original and Deluxe Nut, trial-priced at 25 cents.

Hershey made some slight changes in its packaging, highlighting the words on its Milk Chocolate bars in white and the words Chocolate with Almonds in beige.

If new names and new packaging weren't enough, the recipe for sales success called for more of a good thing. The industry-wide trend toward bigger sized bars continued to accelerate this year. Big may not exactly be better, but it does seem to be selling. Rose of Sloan's Supermarkets says, "The increase in size, with big bars being better value for money, has created a swing back to single bar sales."

Following the success of Hershey's Big Block Chocolate Bars, introduced in 1980, chocolate manufacturers appear convinced that the American consumer wants a bigger, thicker bar with more texture. Life Savers, Inc. (Parsippany, N.Y.), came out with Big Bar Baby Ruths and Butterfingers in 1984.

Hershey Milk, Almond, Krackel, Mr. Goodbar and Special Dark Big Blocks account for nearly 20 percent of total bar sales in SAMI's Large/Giant Bar Category. But the Snickers King Sized Bar and M&Ms Plain and Peanut King Size, all new this past year, are outselling Hershey's Big Blocks.

Hershey may have been bested in the battle of the big bars, but it scored a marketing coup when its familiar brown and silver chocolate bar label was licensed to local dairies for use on chocolate milk cartons. Brian Herrmann, communications coordinator for Hershey, says that the program, begun in spring 1983, now involves 70 dairies around the country.

Hershey provides them with a chocolate mix, which is added to the milk, and monitors the quality of chocolate milk bearing its wrapper through a toll-free line. The arrangement gives Hershey prominent advertising for their chocolate bars in dairy cases at most supermarkets around the country.

Quik chocolate milk powder, from Nestle, first appeared on grocery shelves 38 years ago. Now Nestle has moved the Quik logo into supermarket dairy cases. In a franchise arrangement similar to Hershey's, local dairies are using Nestle chocolate mix and the Quik logo to produce and package a chocolate milk.

Only the finest

Packaging is also an ingredient in the industry's campaign to project a new adult image for chocolate. "Along with the trend toward a bigger bar," says Ron Morrow, "there is one for a more distinctive, higher quality chocolate. Packaging is upgraded, upscale," to reflect that.

Jules Rose of Sloan's confirms that. "The new, premium bars, like Hershey's Golden Bars, are adult-oriented products. And there has been a major swing from a kid-oriented business to a definite increase in sales to adults." Manufacturers, according to Rose, are responding to the challenge presented by the new premium items, and are upgrading their products in turn. "Weaker items are either being dropped or repositioned."

In addition to bigger, better packaged bars, manufacturers hope to produce better quality. Quality is in. Or at least, as Morrow put it, "perceived quality" is in. Mon Cheri, a four-to-the-pack chocolate covered hazelnut candy imported from Europe by Ferrero USA (New York), is a fairly recent fine chocolate introduction. And it is changing the way consumers think about that category.

Robert Bildner, vice president, food services for Kings Super Markets, Inc. (West Caldwell, N.J.), concurs. "It's been a good year for the more upscale confectionary items, a very positive trend for the imported or pricier items." The sales of these items, says Bildner, have expanded the candy category overall, rather than taken away from other sales.

Most fine chocolates were previously sold primarily as gift items. In its "Treat Yourself Right" TV advertising campaign, Mon Cheri is presented as a chocolate for everyday eating, and the company is pushing to get its item in supermarkets, drug and convenience stores.

Gary Foote, director of marketing for Ferrero, says, "We positioned Mon Cheri as a superior milk chocolate with elegant packaging and made it readily available to as large a number of consumers as possible. American shoppers are becoming more quality-conscious. As a result, many of the large manufacturers are refining and expanding their adult quality brands."

Quality, rather than price, is the first concern of this new breed of adult candy consumers. And Hershey's premium Golden Almond and Golden Pecan bars sell for the premium price of $1.19 for a 2.2 ounce bar. The company also has on the market Solitaires, a "premium" chocolate covered candy, with a smoother blend of chocolate and whole rather than chopped nuts. Mars is also expected to introduce a competitive premium bar.

Mothers'—and dieters'—revenge

With research showing that 70 percent of all candy is bought on impulse, what better positioning for the product than at the checkout, where shoppers faced with a wait are at the mercy of their own whims? Mars was first to follow this line of reasoning, and in 1979 persuaded retailers to put candy displays near cash registers.

Mars is known for working aggressively for the best positioning of its candies at checkouts. Which makes it unlikely that the company was exactly overjoyed to hear of a new policy by the Kroger Co. in Cincinnati. At the request of mothers fed up with their children's demands for sweets at the checkout, Kroger began a candy-free policy in 125 stores. At these stores, according to Kroger spokesman James D. McIntire, one clearly marked checkout has replaced the candy racks with other traditional front-end hook items, such as batteries, lighters, razors and shaving items.

Mothers and dieters will welcome the candy-free option. But confectioners, particularly manufacturers of mints and hard rolls — traditionally good sellers at checkouts that have experienced rather flat sales this year— are hoping this is one trend that doesn't go over well with consumers. ■

—CAROLINE CRAIG

BEER

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beer sales by anyone under 18 years of age.

In the conservative Midwest, temperance remains a virtue, according to O'Malia, but there has been no backlash against the chain for its beer sales and promotions. One reason, he said, is that the chain has been careful to gauge community interests.

"In February of this year, we ran an ad aimed at alcohol abuse, and ran a seminar" designed to help people victimized by an overdependence on alcohol. "In 20 years of business, we've gotten only one complaint about alcohol sales, and that was from a lady who saw our ad and complained because we held the seminar and still sold wine and beer."

Hot pricing

Phoenix, Ariz.'s Smitty's Super Valu, Inc. has had the opposite experience with imported beer sales. "In our area, I think imported beer sales are only about one-and-a-half percent of the total," said Tim Howard, buyer-supervisor for liquor. "Basically, that's because of the hot domestic pricing in this market." While Michelob sells for $2.50-per-six pack in Phoenix, he said, Heineken sells for $4.99, and consumers rarely gravitate to the import under such conditions.

Howard said that sales of beer by his chain were kept strong through a policy that promotes regular and light beer of the same brand at the same time. If Budweiser is on sale, so is Bud Light; Howard said this follows a long-held tradition started by Coors. What perplexes Smitty's, Howard said, is the tendency of light beers to perform at a better rate under such promotional conditions.

"If we have Budweiser on sale, we put regular Bud and Bud Light on at the same time," he said. "During that sale, Bud Light will do about 40 percent of the total Budweiser beer business, while ordinarily it might do about 25 percent." This peculiar customer reaction holds true with other brands, he said. "There is brand loyalty, but there does not look like a lot of type loyalty, at least not when there are promotions," Howard said.

National light beer sales are pointed to by manufacturers when they discuss their state of affairs. With Miller Lite firmly entrenched in the top spot, Coors Light and Bud Light appear to be battling it out for the second position. "Both are hot, and it is hard to say who is in second place, they are both growing so fast," said industry observer Ben Steinman.

Patriotic pitch

Miller's Charles A. Whipple, vice president for national retail sales, said that Miller Lite's performance continues to be the cornerstone of that company's strategy. "After all, it's only been on the market for 10 years, and it alone outsells all the wine in this country put together."

Whipple said, however, that his company has rising optimism regarding the performance of Miller High Life, the flagship brand that has been having a difficult time of late. Bolstered by a new advertising campaign designed to associate patriotic fervor with Miller beer— "Miller's made the American way, born and brewed in the USA" is the theme—the product has received "as much price promoting as Budweiser," Whipple said. "Since we launched the new campaign, we've been very much encouraged. There seem to be pockets where we are turning things around."

Jeff Wehling, a spokesman for Anheuser-Busch, said that Bud Light's strength—which he said was consistent with the overall 16 percent growth of the light beer segment—in the marketplace has been a prime source of growth for the company, but that the company's "rock," regular Budweiser, has

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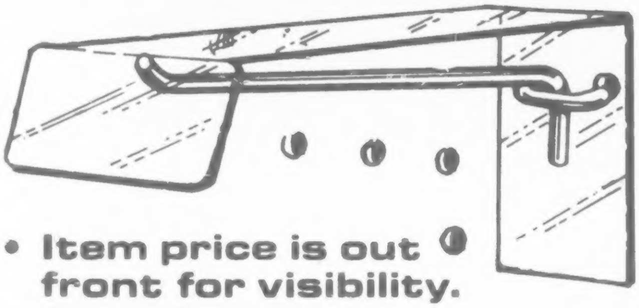

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CANNED GOODS

Canned soups continue to remain stagnant, or even decline in some areas, largely due to inactivity on the part of manufacturers.

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has, again, seen little movement except possibly in the light, or natural-packed products. "A lot of people are conscious of sugar content," she noted.

In the last two years, Cullum has added no-salt vegetables to its canned foods departments, but sales have been only mediocre, according to Mathews. "It's the kind of thing you have to carry because it's available," she said, echoing the opinion of many grocery buyers.

Canned vegetable sales for Stop & Shop stores (North Quincy, Mass.), have been flat or declining, according to Richard Ponte, vice president for grocery procurement and sales. "The biggest reason is the switch to fresh produce that occurred about three years ago," he said.

Fruits, too, remain a problem. "The problem here is sugar. Pineapple in heavy syrup has practically non-existent sales, for example." While pineapple (without syrup) and apple sauce sales have remained firm, peaches, apricots and pears have declined, according to Ponte.

One major problem for Stop & Shop, and for other supermarket chains across the country, has been the tightness of crops in the last few years. "The last couple of years, growing conditions have been bad and retailers have had to cut back on promotions due to lack of product. Peas, corn, cut green beans—the three biggies—have all suffered on and off, and tomatoes have had the same problem," said Ponte.

Quantity availability, and product in all sizes also has been a problem in canned fruits. "We just haven't been able to promote heavily as we have in the past," Ponte added.

A glimmer of light

The bright light, or at least the glimmering light, in canned fruits and vegetables remains the no-salt or no-sugar products. "We were among the first companies to develop a line of no-salt products under our own label. We're very happy with it and see continued growth in this area," said Stop & Shop's Ponte.

The company accompanied its introduction of the line with a major consumer education campaign that appealed to all shoppers, rather than only those with diet restrictions.

Positioning of the no-salt items in Stop & Shop's 117 stores was also carefully thought out. "We placed them next to their counterparts that were not no-salt and priced them a lot closer than products previously carried in the dietetic department," Ponte said, noting that the price differential now is only two to three cents per item.

Another innovation that has had some impact in canned vegetables, according to Ponte, is new packaging. The "Verigreen" can, developed by Continental Can, which significantly improves color and freshness of green vegetables, has been particularly successful with peas. Stop & Shop has plans to introduce its own label of green beans, probably spinach and a few other vegetables using this method of packaging.

The bright spot for canned fruits is packing in natural

Hormel Chili With Beans
MOST VALUABLE CHILI
Hormel CHUNK HAM
Champion Chunk Ham
Dinty Moore Beef Stew
STEW OF THE YEAR
Hormel
ALL STAR HAM

juices rather than sugar, where sales have shown modest increases.

Canned meats, with the exception of tuna fish, are a small volume category and supermarket buyers say sales here, too, are flat. Tuna remains an area of potential profit, largely through heavy promotions and discounts. Healthy sales despite low prices have resulted in good profitability, buyers say.

Canned soups at a low simmer

Canned soups continue to remain stagnant, or even decline in some areas, largely due to the inactivity on the part of manufacturers. With few new products introduced and Campbell controlling a lion's share of the market, there has been little stimulation for consumers. That may be changing, however. Many buyers feel that Progresso may be about to give Campbell a run for its money, and others look to increased competition in dry soup mixes to stimulate overall sales of canned soups as well.

Ironically, Campbell, the leader in canned soups, is the company threatening to challenge Lipton for the dry market as well. Campbell Quality Soup and Recipe Mixes will be marketed nationwide this fall, according to James H. Moran, a company spokesman.

"We look for this to be an area of explosive growth," he said. Meanwhile, the company is not resting on its laurels in the canned area either. Campbell is about to go national with a line of Creamy Natural Soups, including potato, cauliflower, spinach, broccoli and asparagus. The line has been successfully tested in the West, according to Moran.

Campbell has also expanded its Chunky line, adding New England Chowder, Fisherman's Chowder and three Chunky International soups—Imperial Wonton, Tortilla and Beef Ravioli Romano. In addition, the company has made a further attempt to attract the new life-style shopper with a line of Homestyle soups that have increased garnishes and a homemade taste. Sales of the tomato and vegetable Home-style soups have been solid, according to Moran. "We think homemade is the hot button today," he said.

Campbell is also test marketing a line of cold soups, including tangy tomato, beet, gazpacho and vichyssoise.

Making a mature product young

Sensitive to flat sales in its canned Franco-American line, Campbell is looking for improvement in that area as well. It has already introduced an adult Ravioli Superiore and other changes will be forthcoming. "We are looking to take a mature product and make it young again," said Moran, speaking of the company's line of pasta products.

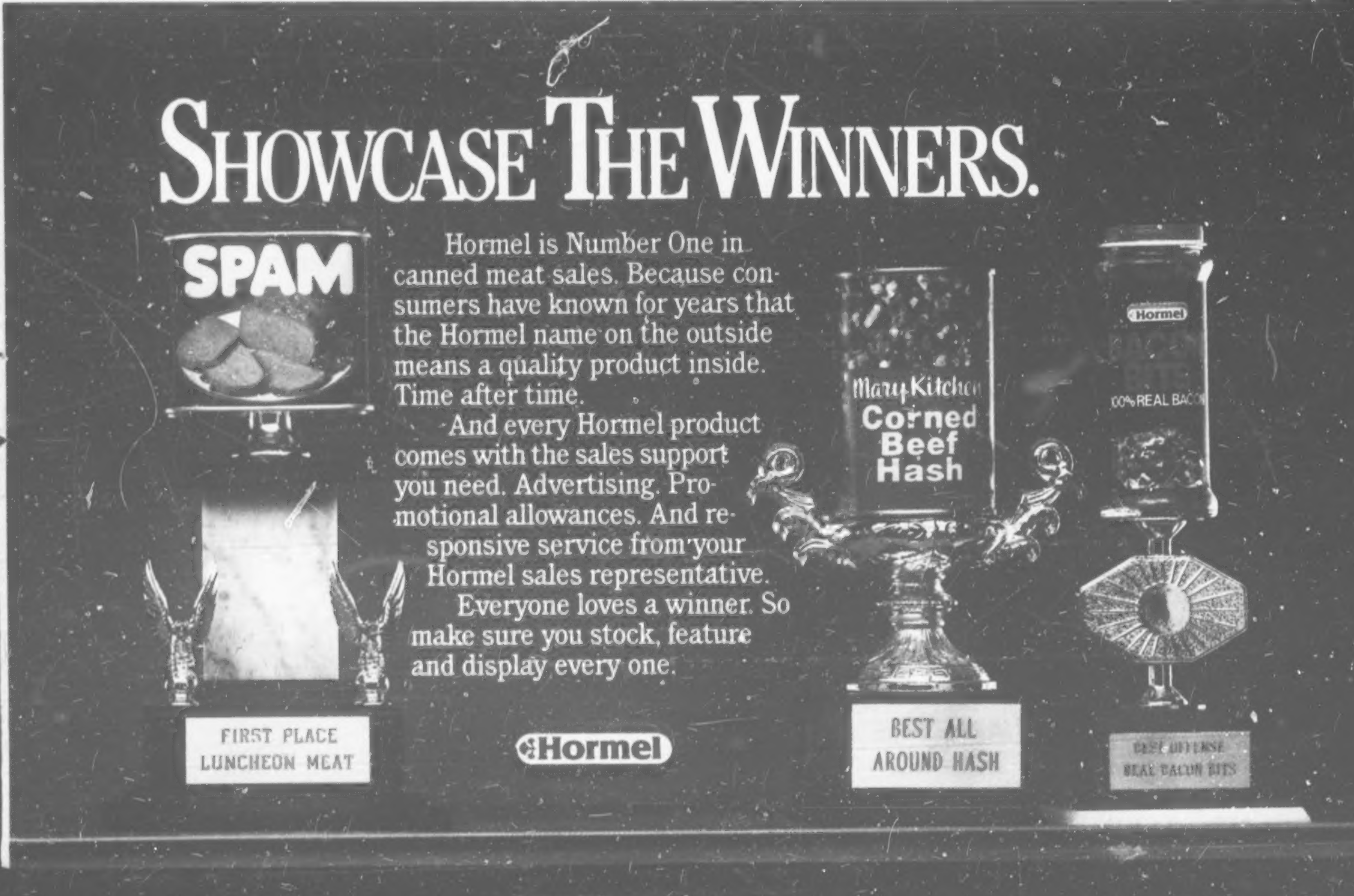
Pillsbury's Green Giant subsidiary is also eager to improve sales and will do so, it hopes, with a return to television advertising in the near future, a company representative said. In addition to a new look for all its products, Green Giant will engage in a variety of trade promotions using the famous "Sprout" figures as well.

Recent developments at Green Giant include the development of pallet-ready delivery, which should make life easier for supermarket display. The company also reports some growth in sales of certain canned vegetables, notably the "unusual" ones. Mushrooms and asparagus have been doing very well, probably due to the trends towards upscale buying, according to the company representative.

A number of buyers single out Del Monte for its efforts to promote canned products. "Del Monte does a lot of consumer advertising and they provide ad money and allowances to help us stimulate sales," said Mathews of Cullum Companies. In fact, Del Monte spent $10 million in a consumer education program televised nationally on the theme of canned vegetables "as nutritious as fresh-cooked."

The company is the clear leader in market share for the $3 billion processed fruit and vegetable industry, but admits that since 1980 market volume has been flat or declining. ■

—BOB MILLER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FIRST PLACE LUNCHEON MEAT
Mary Kitchen Corned Beef Hash
BEST ALL AROUND HASH
Hormel
00% REAL BACON
BEST DEFENSE REAL BACON BITS

BEER

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managed to maintain growth in the three to four percent range.

"The silver bullet is taking off," Coors spokesman Don Shook said about the growth of that company's light offering. Shook may have good reason for exuberance. After the downward trend of last year's sales, which occurred despite Coors' expansion into new marketing territories (Coors is still not sold in six states, and is not likely to be sold in them until the end of the decade), the first half of 1985 reportedly shows that Coors' market share is approaching eight percent, up almost a point.

Noteworthy advertising

Shook attributed the new growth to the acclaimed advertising campaign initiated by the company, a campaign which features "straight talk about beer" by actor Mark Harmon (of the TV series *St. Elsewhere*), and the company's willingness to appeal to a broad spectrum of consumers.

Notorious in recent years because of its shaky relationships with blacks and other minorities, Coors recently has gone out of its way to embellish its community image; at the same time, its new products—including Coors Extra Gold—position the company in such a way that it can easily shift directions if prevailing consumer attitudes change. In addition, with its affixing of "Drink Safely" logos on all its packaging, Coors' anti-drunk driving stance keeps it out in front of the temperance movement.

The fourth best-selling light beer in the U.S. is Michelob Light, also by Anheuser-Busch. Company spokesman Randy Myers said that despite rumors that Anheuser-Busch is displeased with the product's recent sales and those of its sister brand, Michelob, it doesn't plan to change direction. "I can't discuss sales, but it would be inaccurate to say that we are unhappy."

While light beer is considered a particularly American institution, the market is not populated solely by American breweries. In addition to Amstel Light, two new light products were rolled out by importers during the past year: Molson Light and, from the makers of Beck's, Roland Light. Only the former, however, survived.

Limited basis

Walter Driscoll, president of Dribeck Importers (Greenwich, Conn.), which brings Beck's to U.S. consumers, said that Roland Light was brought to this country on a limited basis in October 1984, and withdrawn just a month later. The fast about-face, he said, was caused by a lawsuit over the rights to the Roland name, and the case remains unsettled.

Molson, on the other hand, seems delighted with the performance of its new light beer. Not that it is exactly new; Peter J. Fearon, president of Martlett Importing Co., Inc. (Great Neck, N.Y.), said that Molson Light is the top light beer in Canada. Currently, it is in the Northeast U.S., between Maine and Washington, D.C., and in certain sections of Florida, with plans for a gradual rollout across the rest of the country.

Fearon said, however, that it is unlikely that Molson Light will ever truly be a "national" brand, as there are still four or five states (Iowa and Alabama, for instance) where even Molson Golden is still unavailable.

The same strategy of selective expansion used for Molson's other products will be used for Brador, its malt liquor, Fearon said, with an emphasis on metropolitan areas with large black communities.

Back to basics

While most breweries are looking for new gimmicks and line extensions to broaden their consumer appeal, a few independent brewers remain who are looking to attract a small, elite customer base, and finding their way into supermarkets on a limited basis. ■

—KEVIN COUPE

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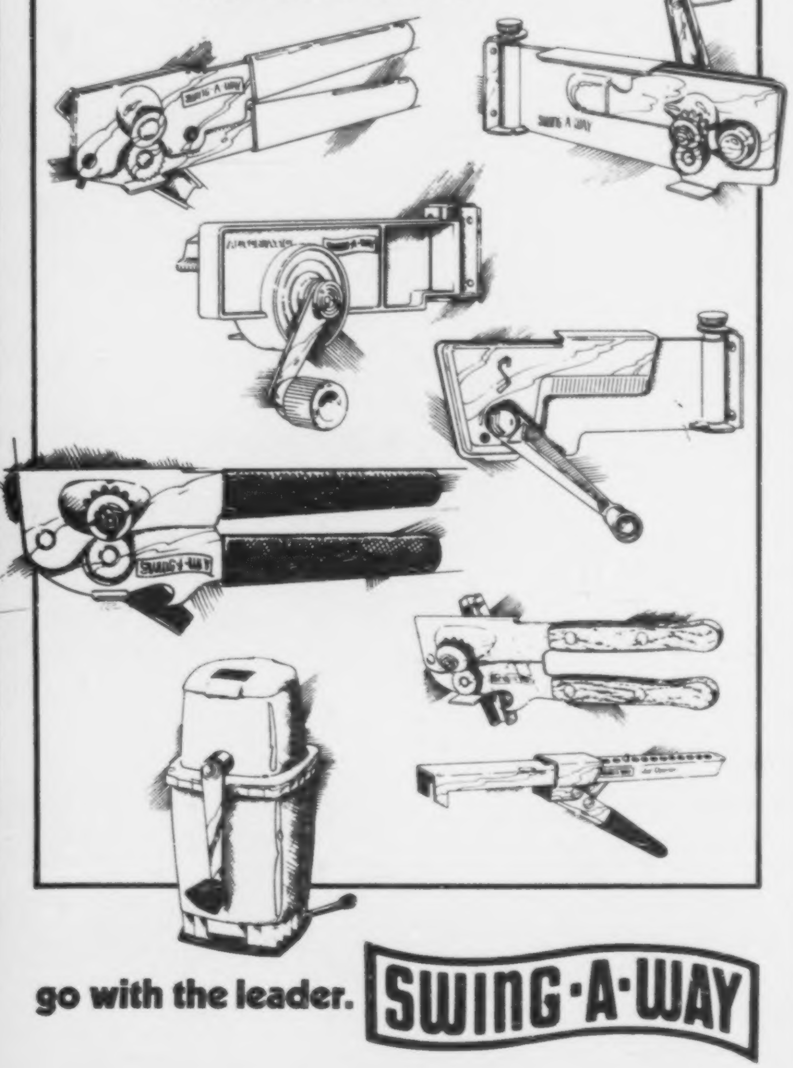

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DRIED FRUIT

Continued from page 204

flavors—strawberry, cherry, apple and apricot—Fruit Roll-Ups added a fifth flavor (orange) in early 1984 and will bring out a sixth, raspberry, this month.

And, in its Fruit Bars line, the original four flavors instituted in early 1985 (strawberry, cherry, grape and orange-pineapple) will be joined by yet another (tropical fruit) this month. Kim Dickey, a spokesman for General Mills, said that these products are targeted directly at children, and that her company sees "dried fruit (as) relatively limiting, while as snacks, it is less so."

Covering the spectrum

Lipton, using the Sunkist trademark, has begun to introduce Sunkist Fun Fruits, bite-sized dried fruit-based pieces designed for children. It is, according to a company source, a natural development, one that likely will be repeated many times by many companies.

"One of the things everybody in the category is trying to do is cover as much of the demographic spectrum as possible while appealing to specific demographic categories with specific products. Look at granola bars. They started with dry, hard bars that were for adults, and then shifted into sweeter bars and chocolate-covered bars that could appeal to the whole spectrum. It's a whole different market out there."

And it could get a lot more different. Several manufacturers indicated that, as always, their research and development efforts are continuing, with a current goal being to bring the excitement of children's dried fruit to adult selections. And while, for example, a prune-flavored Fun Fruit packet is not yet available to stores, the suggestion was that such a product may be available in the not-too-distant future. ■

—KEVIN COUPE

PET NEEDS

Continued from page 175

Some supermarket operators are optimistic about nonfood pet products.

Lives and Carnation have come out with products that are very popular. The incremental sales of these products also have not been cutting into existing sales of other cat foods," he said.

There is also a trend towards buying the premium canned dog foods, and while the issue of dry versus moist seems fairly stable in Stop & Shop stores, the semi-moist cat foods have suffered.

Contrary to other parts of the country, cat treats, at least Bonkers, have "not been a bad mover," according to Ponte, although he does not see much potential for growth in the cat treat area. The growth area in treats in the Northeast has been for dogs. "We've seen growth in items for dogs; they're doing extremely well," Ponte observed.

Some supermarket buyers are optimistic about nonfood pet products. ShopRite (Elizabeth, N.J.), with 190 stores in New Jersey, Connecticut, New York, Pennsylvania, Delaware and Massachusetts, is a major distributor for Hartz Mountain products, for example, and ShopRite representatives are enthusiastic about pet supplies as a growth category. The chain plans to devote additional resources to boost sales.

"What we're trying to do is improve fixturing and generate additional advertising for our Hartz products," a company spokesman said.

Despite the lack of any clear buying trends in pet products, manufacturers seem comfortable with sales and many remain intent on turning out new products. Third quarter earnings for Ralston Purina show substantially increased sales. In releasing the information, the company noted that its pet foods division realized improved profit margins on the basis of slightly higher sales volumes and higher sales prices.

Purina has been pleased with the performance of Happy Cat, according to a company spokesman.

Among its new products, Purina is introducing a premium cat food called Catviar, to compete with 9 Lives Amore and Carnation's Fancy Feast lines, and has introduced regionally a line of gourmet cat dinners, including a salmon and egg flavor.

Purina is also extending its line of Tender Vittles and has developed a new packaging called Pick-a-pouch, that is designed to make traveling and choice of individual serving more convenient for cat owners.

Lowe's, the makers of Kitty Litter and Tidy Cat, has had another record year, according to Tom Ramey, vice president of marketing for the South Bend, Ind.-based company. "Clorox carved out a 14 percent share of the market last year with its Fresh Step, but that has not affected our market share," Ramey said. It's the un-advertised or private label products that have suffered from the competition between Lowe and Clorox, according to Ramey.

While Tidy Cat appears to be the best seller of Lowe's products in much of the country, the company has been pleased with Kitty Litter as well. "Our brands have not lost their market share," Ramey noted.

—BOB MILLER

DIET FOODS

Continued from page 143

"After all, the '80s are kind of a health decade."

The change in approach surrounding diet foods can be seen perhaps most dramatically in the frozen entree and dinner category, where Stouffer's Lean Cuisine has risen quickly to the top of light offerings in this segment of the business. In just four years, Lean Cuisine, by some estimates, has captured as much as 20 percent of the entire frozen entree and dinner market, and is almost equal to the share held by Stouffer's regular frozen food offerings. For Lean Cuisine, light food has developed into a $400 million business.

According to one industry observer, Lean Cuisine was able to eclipse Weight Watchers because the latter organization is seen as having a specific franchise: helping fat people lose weight. While Weight Watchers occupies the number two position in the light frozen dinner field, and commands significant brand loyalty, it remains saddled with the stigma of being a product of denial rather than indulgence.

Albert Lippert, chairman of the board of Weight Watchers—as well as a member of the board of directors of H.J. Heinz, which owns the diet organization—agreed with the reality of this stigma, but said that it is not as serious as it used to be. "Now, I think we are thought of as a good, nutritious meal."

Nevertheless, Lippert said, Weight Watchers is responding to the Lean Cuisine challenge by improving the quality of some of its offerings, reformulating others, and developing new products stressing taste rather than diet.

"I really see (Lean Cuisine) as a blessing in disguise," Lippert said. "They really shook us up. You can become complacent, you know. Sometimes it is helpful to have someone come in and let you know that there is a lot more to be done with a product and in a category." Lippert said he has no regrets about Lean Cuisine's fast-paced success. "It helps to develop an entire industry," he said.

If competition is good for the industry, then the diet frozen entree field is headed for a healthy spell—ConAgra Frozen Food Company, owner of both Banquet Foods Corp. and Armour Food Co., is weighing in with two different product lines: Armour's Lite & Elegant entrees and ConAgra's Classic Lite dinners. (The Banquet name is not used on the diet products, according to Susan K. Hanley, a spokesman for ConAgra, because it is perceived as having blue-collar appeal, and light products are aimed at upscale, white-collar consumers.)

"It's real food," Hanley said. "People have the connotation that when you are on a diet there is never enough to eat and there is no flavor." While little can be done about the portions, Hanley said, flavor can be enhanced dramatically.

In coming months, Hanley added, ConAgra will attempt to give Weight Watchers a run for its money by developing promotions that will appeal to those who belong to the mother organization, and by keeping its prices below those of Weight Watchers. In addition, Armour currently is marketing yet another diet food—low sodium bacon.

—KEVIN COUPE

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from leaving the tax at 16 cents to increasing it to 40 cents.

"Even if the tax actually sunsets I wouldn't expect much of an effect on prices. A number of states have already passed laws to pick up the eight cents if they get the opportunity."

Either way, John C. Maxwell doesn't expect much of an effect on sales. "This is a category that doesn't appear to have much elasticity of demand. The only exception was the year when the big excise tax rise was put in place and consumption fell 4.5 percent."

Overall, total federal, state and municipal taxes for the fiscal year ending June 30, 1984 came to $9.27 billion.

October promises still more federal fallout for the cigarette business. Starting Oct. 13, all cigarette packages will be required to bear one of four separate warnings of the health risks incurred due to smoking. The labels, which will be rotated on a quarterly basis, will be substantially larger and bolder in print than the present one and will contain more specific messages.

"The problem," says the Tobacco Institute's Byrn, "is a logistical one, stopping production, reprinting, repackaging. The companies went to the FTC and suggested introducing new labels simultaneously— all four at the same time instead of each for only three months. The FTC said there was nothing wrong with the idea but had no authority to change the law."

Invigorated by their success with the label laws, anti-smoking forces continue to lay siege to the industry with proposals for new anti-smoking laws. Laws passed by states last year ranged from minor (covering state-licensed day-care centers in Arkansas) to major (covering four different areas, including food stores, in New Jersey).

For their part, cigarette companies continue to rely heavily on advertising to extol the virtues of particular brands. According to FTC, cigarette advertising rose nearly 25 percent in 1982 to $1.9 billion and an additional 36 percent in 1983 to a record $2.7 billion.

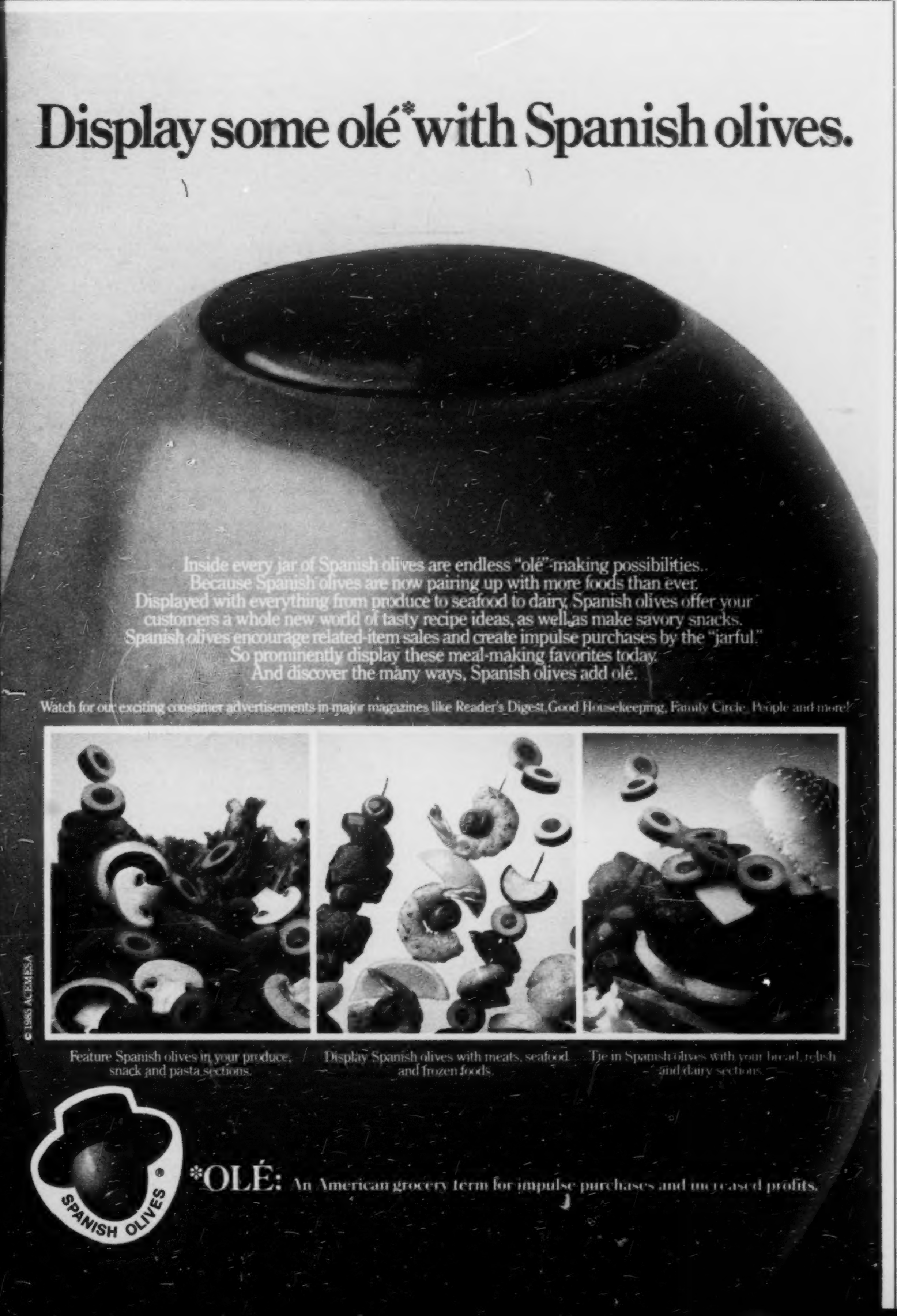
FTC took a dour attitude toward the tone of much of that advertising, scolding cigarette marketers for "increasing emphasis on linking a particular brand with health, wealth, luxury and achievement."

With no shortage of adversaries, the companies are now preparing to do battle in court in a series of suits seeking punitive damages for allegedly causing sickness and death from cancer, heart disease and chronic obstructive lung diseases. In addition to the cigarette companies themselves, charges have also been brought against the Tobacco Institute, distributors, advertising agencies and even supermarkets.

Operating in a mature industry with declining sales, beset by attacks by governmental and other outsiders, the cigarette makers might well be expected to circle the wagons and settle for business as usual.

Far from it. They have opted rather to experiment with bold new pricing and packaging and positioning concepts at a rate that decisively overshadows most other sections of the supermarket. ■

—BOB DIETRICH


Display some olé* with Spanish olives.

Inside every jar of Spanish olives are endless "olé"-making possibilities.
Because Spanish olives are now pairing up with more foods than ever.
Displayed with everything from produce to seafood to dairy, Spanish olives offer your customers a whole new world of tasty recipe ideas, as well as make savory snacks.
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So prominently display these meal-making favorites today.
And discover the many ways, Spanish olives add olé.

Watch for our exciting consumer advertisements in major magazines like Reader's Digest, Good Housekeeping, Family Circle, People and more!

Feature Spanish olives in your produce, snack and pasta sections.

Display Spanish olives with meats, seafood and frozen foods.

Tie in Spanish olives with your bread, relish and dairy sections.

*OLÉ: An American grocery term for impulse purchases and increased profits.

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CONSUMER EXPENDITURES STUDY

Continued from page 69

percent for GM and 26 percent for HBA, this is welcome news for the nation's supermarkets. In general merchandise this proved out even though the recent glamour category of auto supplies fell 6.2 percent.

Big gainers in HBA

The big gainers in HBA were in diet products, infant formula, cold medications, internal analgesics and eye care. Men's colognes and after-shave products continue to increase at much better than average rates. Although shaving products appear to be flat, the amount spent in grocery stores is almost half of the total, and sales of disposable razors outperforms an otherwise flat category.

Phonograph records, tapes and photo film outperformed the category, as well.

While the household, paper, pet and tobacco products categories represent tremendous volume, $34.7 billion, not too many spectacular performers come to mind. Liquid soap continues to be an exception, as well as semi-moist cat food and cat litter. Pre-moistened wipes are rapidly approaching the $100 million mark in grocery store sales.

These are merely some of the high spots in the Annual Consumer Expenditures Study. The "Focus" features that follow on 20 specific categories report in much greater detail how the more than 600 product categories performed in 1984.

Actual dollar sales

Reporting in such detail on what is clearly the nation's most complex industry, and one of its largest, is an awesome challenge to the research department and editorial staff of SUPERMARKET BUSINESS. Each year, new features are added, new product categories reported, new forms of analysis provided.

In this way, SUPERMARKET BUSINESS endeavors to offer benchmarks, points of comparison and flashes of insight into the most challenging of industries, and one that is, today, changing faster than any single, comprehensive study can provide. The Consumer Expenditures Study is a retailing and marketing yardstick, as well as a report card on how the industry fared and, wherever possible, why it did so. ■

CALENDAR

SEPTEMBER

20-25 Foodtech China '85, Fuzhou Exhibition Centre, Fujian, People's Republic of China. Contact: International Marketing Services Ltd., 1719 South Clinton St., Chicago, Ill. 60616.

27-October 3 GMDC, 15th Anniversary General Merchandise Marketing Conference, Marriott Marco Beach Hotel, Marco Island, Fla. Contact: GMDC, 1275 Lake Plaza Dr., Colorado Springs, Colo. 80906.

OCTOBER

6-8 New York Gourmet Food & Wine Show, N.Y. Coliseum. Contact: George Little Management, Inc., 2 Park Ave., Ste. 110, New York, N.Y. 10016.

13-16 NAWGA, Productivity/Computer Conference, Dallas Convention Center. Contact: NAWGA at the address given above.

19-22 AMI Exposition, McCormick Place, Chicago. Contact: AMI, 1700 N. Moore St., Ste. 1600, Arlington, Va. 22209.

19-23 PMA Convention & Exposition, Moscone Center, San Francisco. Contact: PMA, 700 Barksdale Plaza, Newark, Del. 19711.

20-22 FMI Fall Conference, Marriott Hotel, Washington, D.C. Contact: FMI, 1750 K St., N.W., Washington, D.C.

22-23 Eastern Dairy-Deli Assoc. Taste Show, New York City Passenger Ship Terminal Pier. Contact: EDDA, P.O. Box 156, Great Neck, N.Y. 11021.

25-28 Natural Foods Expo '85 East, Washington Convention Center, Washington, D.C. Contact: Natural Foods Merchandiser, 328 South Main St., New Hope, Pa. 18938.

26-29 Mid-Atlantic Food Dealers Assoc., Annual Convention, Convention Hall, Ocean City, Md. Contact: MAFDA, 14 Commerce St., Dundalk Center, Baltimore, Md. 21222.

27-30 AFFI/NFFA, National Frozen Food Convention & Exposition, Hilton Hotel, Atlanta. Contact: NFFA, P.O. Box 398, Hershey, Pa. 17033.

EDITOR'S VIEW

Continued from page 7

baking needs are flat. Candy and chewing gum are up 8.6 percent, while diet soft drinks are being guzzled at a 6.7 percent rate of increase.

Keep on snacking

Snacks are up 8.1 percent with corn chips leading the pack at a 9.5 percent increase. Sugar, as we know, is down, while artificial sweeteners are up 21.2 percent (which may be causing these folks to eat more). Oh, yes, iced tea mixes (which are usually sweetened) are up 15.4 percent.

Everyone knows about the success of Lean Cuisine, and other low calorie frozen entrees, but do they know that frozen french fries are up 8.5 percent? Likewise, frozen french toast and pancakes are up 24.5 percent. Do they know what goes on french toast and pancakes? Maple syrup, that's what. And that's sugar.

Look at the dairy case, where the virtuous are all eating their cottage cheese at a +5.4 percent rate and their yogurt at a +10.8 percent rate. Butter is down, fresh milk is flat, but refrigerated toppings are up 9.1 percent. Refrigerated fruit drinks (which contain natural and often added sugar and sweeteners) are up 13.5 percent.

But these are my favorite categories for you overweight, hypocritical phonies. Red meat is down, we all know, but barbecue sauce is up 7.9 percent. Other condiment sauces, up 9.4 percent. You're eating poultry and fish all right, but drowning it in barbecue sauce (don't forget the sugar). Pasta is up only slightly, you joggers and body builders, but spaghetti sauce is up 11.9 percent (with meat more than without). You must be eating it on bread (varietal bread of course).

An oily problem

And my all-time favorite example: Everybody knows that lard and shortenings are made from fat—nasty, animal-saturated fats, and these are down in sales. But vegetable oils, (cooking and salad oil) are up 8.3 percent and olive oil is up 8.8 percent. Another virtue exposed. They're eating their salads drenched in salad oil, olive oil and spoonable and pourable salad dressings, and mayonnaise, which are all up over eight percent.

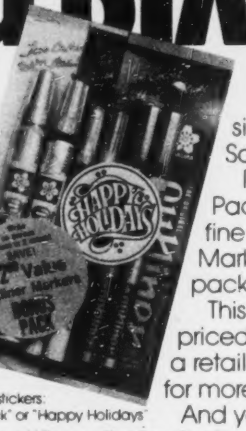
Read what the *Newsweek* article has to say about fat. Overweight and non-overweight people, in a test, were given varying combinations of sugar and fat, contained in whipped cream. The obese preferred a combination of 34.4 percent fat and four percent sugar. The normal-weight group preferred a combination of 7.7 percent fat and 20.7 percent sugar.

The Atlantic article states: "Research suggests that controlling weight has far more to do with curtailing fat than with curtailing sugar, and that obese people are more likely to have a 'fat tooth' than a sweet one."

And more, "...many foods that people identify as sweet, such as ice cream, chocolate pie and doughnuts, are actually high fat foods, flavored with sugar."

So, as I ease onto my hammock and reach for my scotch, I recall that at my last checkup my cholesterol level would compare favorably with that of any of you five-mile-a-day runner's. Now, if only my liver holds out... ■

Pick up a six pack.



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